JANUARY 5, 1946

SATURDAY NIGHT

PRICE 10

VOL. 61. NO. 18 • TORONTO, CANADA

THE CANADIAN ILLUSTRATED WEEKLY

TORONTO PUBLIC LIBRARY GENERAL READING

THE FRONT PAGE

Elections Too Often

THE municipal elections of the towns and cities of this fair Dominion, a great number of which are being held as we go to press or will be held in the near future, must surely present to any intelligent and impartial outsider one of the saddest and most ludicrous spectacles in the whole range of democracy. They are the end-product of an ancient tradition handed down from a time when municipalities were small and their populations relatively permanent, and everybody knew everybody else and watched what everybody else was doing with an intent and interested eye. In such communities it was no trouble to vote intelligently once a year for the citizens whom one wished to have in charge of the local government.

But today it does not work. The ruling of a city is not like the management of a limited company, and the process of a municipal election is not like the polling of so many shares of stock—which are usually in the same hands and vote the same way year after year. The one-year term of office is not required by any principle of democracy, even the principle that a democracy is bound to make a fool of itself and elect the wrong people occasionally. It would be far less likely to do so with a two-year term, and a bad government which expects to be thrown out after one year can do almost as much harm in that one year as in two.

A Great Journalist

IT WAS through SATURDAY NIGHT that Hector Willoughby Charlesworth entered the career of journalism in 1891, a career in which he was to labor with brilliant success for all but four of the next fifty-four years. He did not stay with this journal at that time, for the daily newspapers speedily noted his skill as a dramatic critic and the vivacity of his descriptive style; but in 1910 he returned to our staff as assistant managing editor, and his "copy" was never thereafter absent from our columns except during the four years of his chairmanship of the Canadian Radio Broadcasting Commission, the first national radio authority. When that Commission was dissolved in 1936 he returned to Toronto, and resumed the work of musical critic for SATURDAY NIGHT, combining it with that of musical and dramatic critic for the GLOBE AND MAIL. For several years prior to 1932 he was the editorial chief of SATURDAY NIGHT.

Besides being a brilliant critic, he was a born journalist, with a voracious and retentive eye for the more picturesque aspects of human behavior. He knew everybody, and knew something characteristic about everybody. Four volumes of reminiscences crammed with personalia of the most illuminating kind will long testify to the range of his interests and contacts. That his radio period was the least happy and least successful part of his life was but little due to any deficiencies of his own. The Commission which he headed was unwisely designed, inadequately powered, and bedevilled throughout its career with civil service red tape, from which the present Corporation, an "emanation of the Crown," is comparatively free; it had moreover few friends among the politicians, and the fact that it was under Mr. Bennett's personal wing did little to increase their number. On the musical program side of Canadian broadcasting Mr. Charlesworth laid foundations which have endured, for his profound and discerning sympathy with aspiring artists led to the policy of a wide distribution of production facilities throughout Canada, which has been consistently followed and has been of the greatest benefit to musical progress.

So far as the present editor-in-chief of SATURDAY NIGHT is concerned, the death of Hector Charlesworth brings to an end a close friendship of more than forty years, but does not end an admiration of his artistic judgment, honesty of purpose and literary skill which began more than fifty years ago. A man of singularly winning character, he possessed the lively affection of everybody in the organization of this journal. Though he had reached an advanced age, he died in the fullness of his powers and in the full enjoyment of his work — the ideal end of the true journalist. Farewell, Hector.

C.P.R. Photograph

Winter's White Magic has transformed this typical Canadian woodland to a spectacle of rare beauty.

FEATURES IN THIS ISSUE

Page
Canada's Film Future.................A. J. Arnold 5
Germany and World Health...........Basil Fuller 6
Some Big Issues in 1946..........Wilfrid Eggleston 8
Interest Rates and Socialism........B. K. Sandwell 9
Last Thoughts on "Messiah"...Hector Charlesworth 13
U.S.-British Trade Talks.............G. C. Layton 18

Gang Murders

CANADIAN cities are witnessing a distressingly large number of robberies committed in small stores, by small groups of young men carrying revolvers and making their get-away in a stolen car held near the store by one of their number. As is inevitably the case with such crimes, an effort at resistance, or even a movement which is interpreted as resistance though it may not be so intended, often leads to shooting sometimes with fatal results. The weapons employed are frequently Allied or enemy small arms from the late war.

Public opinion is much worked up about some of these tragedies, but the truth is that public opinion is as much responsible for them as anything. For it is public opinion in Canada which in recent years has thrown overboard the ancient principle that when a number of persons combine to commit a robbery or

(Continued on Page Three)

DEAR MR. EDITOR

Now Hear the Voice of Rebuke! Idle Prophecy and Figures

Editor, SATURDAY NIGHT:

I TAKE issue with the Front Page article "What Is Religion?" in the November 10 issue of SATURDAY NIGHT which ventures to judge the Christian Church. It speaks with betraying facility of the Churches as "they." And where did the writer discover that their primary concern is what he claims — "differences, argument, pride, contempt?"

It seems to me that the section of the public to whom your paper appeals and for whom it appears, primarily, to be written has always had little more than a nominal interest in the central affirmations and obligations of the Christian religion. Hypocrisy inside the Church is nauseating, to say the least; but hypocrisy outside the Church, from a viewpoint of intellectual and moral superiority is far worse.

A little less complacency and a little more humble recognition of the searching demands with which the Christian Church confronts the world, coming from your influential paper, would be a valuable tonic for Canadian life; including the Church.

Copetown, Ont. (Rev.) W. E. WING

NOTE: The article mentioned asked the question, "Are the Churches playing as a team or as individual cliques?" Our correspondent gives no answer, but turns to the imputing of base motives to the questioner. It must have been a sound article, with barbs on the point!—ED.

Aim of Teaching

Editor, SATURDAY NIGHT:

IN the biographical sketch of Fritz Brandtner — the adopted Montreal artist — by Paul Duval, in the issue of December 1, the writer quotes his subject in what appears to be a masterful teacher's credo. Mr. Duval quotes Mr. Brandtner as saying in regard to his art students in Montreal's public and private schools: "I want to make these children enthusiasts in living. By expressing themselves in some creative way they gain a knowledge of higher values which will make life more pleasant and more successful for them."

How many teachers think between nine and four, each day, of making the children who sit under them enthusiasts in living.

KENDRICK B. CROSSLEY
Kirkland Lake, Ont.

SATURDAY NIGHT
THE CANADIAN WEEKLY
Established 1887

BERNARD K. SANDWELL
Editor-in-Chief

P. M. RICHARDS, Managing Editor and Financial Editor
WILLSON WOODSIDE, Foreign Editor
BERNICE M. COFFEY, Women's Editor
HECTOR CHARLESWORTH, Music Editor
J. E. MIDDLETON, Book Editor
MARY LOWREY ROSS, Film Editor
MARGARET K. ZIEMAN, Feature Editor
PAUL DUVAL, Art Editor
JANET MARCH, Food Editor
JOHN M. GRANT, Mining Editor
GEORGE GILBERT, Insurance Editor
GILBERT C. LAYTON, London Financial Correspondent
HAZEL G. WATSON, Editorial Secretary
C. N. FOY, Advertising Manager

SUBSCRIPTION RATES — Canada $5.00 two years, $7.00 three years new and renewal subscriptions. Single copies 10 cents. Renewals only accepted for all other countries.

SATURDAY NIGHT does not permit reproduction or condensation of any of its contents (which are fully protected by copyright) by any "digest" magazine.

Advertising contracts are solicited and accepted by this business office or by any representative of SATURDAY NIGHT subject to Editorial approval as printed in our contract form. The Editors reserve the right to reject any contract accepted by the business office, its branch offices or its advertising staff—to cancel same at any time after acceptance—and to refuse publication of any advertising thereunder at any time such advertising is considered by them as unreliable and undesirable.

Authorized by the Post Office Department, Ottawa, as second class matter.

Printed and published by
CONSOLIDATED PRESS LIMITED
73 Richmond Street W., Toronto 1, Canada
MONTREAL........................Birks Bldg.
VANCOUVER..............815 W. Hastings St.
NEW YORK..........Room 512, 101 Park Ave.
E. R. Milling - - Business Manager
C. T. Croucher - Assistant Business Manager
J. F. Foy - - - Circulation Manager

Vol. 61, No. 18 Whole No. 2755

Facts On Japanese

Editor, SATURDAY NIGHT:

A RECENT letter of Col. Merritt, V.C., in your columns implied that the Japanese population of B.C. was increasing. It also stated that Toronto would have 50 to 80,000 Japanese if it had the same percentage as Vancouver had. Senator Farris recently repeated A. W. Neill's prophecy of a yellow B.C. in 50 years. Solon Low, M.P., has made a similar prophecy for southern Alberta. Here are the facts:

British Columbia	1921	1931	1941 (Pre-Pearl Harbor)
% of Japanese	2.9	3.2	2.7
Birth Rate J.	39.5	36.4	23.2
" White	19.7	14.3	18.3
(Canada 22.2)			
Increase J	73.9	47.9	0.49
% W	35.4	31.7	21.4
Actual J	450	636	396
(Immigration small)			
Increase W	5,995	3,654	6,137
(Immigration large)			

There is certain to be a large decrease on partial repatriation. Japanese population of Vancouver in 1944 was 8,458. Toronto's at same percentage would be 20,000. It is obvious that the prophets are very wide of the mark.

A Vancouver newspaper some years ago published a letter allegedly written by a Japanese which stated that the real loyalty of the Japanese was to Japan. The newspaper, later, stated that the letter was a fake, but a branch of the "Repatriation League" got it republished (as a genuine letter) in a suburban paper.

During the recent B.C. provincial election the platform of the Coalition party did not mention the Japanese question and Attorney-General Maitland said the Party had no policy on the question. Yet he claimed that the result of the election would have an effect on the settlement of the question! And Premier Hart is being urged to demand repatriation in return for concessions to the Dominion!

Premier, B.C. CHARLES BURBRIDGE

Is It True?

Editor, SATURDAY NIGHT:

THE internal affairs of any member of the Commonwealth are generally acknowledged to concern the people of that nation alone. But, when a member of the Commonwealth engages in a minor war to hold in subjection the colonials of a foreign nation, such procedure is alarming—not to say dangerous.

What must Canadians think who read in press despatches that Dutch troops are being equipped from Canadian stores in the war to keep Javanese in subjection?

THE POLICY OF "SH! DON'T WAKE THE BABY" being observed in many quarters—is it safe, or is it just cowardly?

Halifax, N.S. B. G. KING

Jewish Settlements

Editor, SATURDAY NIGHT:

MR. R. F. LAMBERT in your December 15 issue argues that other Jewish homes were failures, elsewhere than in Palestine, going back historically hundreds of years. But he completely omits all mention of the most recent, most important and most successful experiment in Jewish colonization, that in Argentina. The great Jewish banker and philanthropist Baron Maurice de Hirsch founded in 1891 the Jewish Colonization Association, and endowed it to the amount of $50,000,000, for the main purpose of establishing Jewish agricultural colonies in Argentine.

After initial difficulties considerable progress was made. Of the 1,500,000 acres acquired 80 per cent has been settled, and 45,000 Jews now live in these colonies, 22,000 being farmers. Many have paid off all mortgages and acquired full title to land, which has risen in value from $8 an acre to $150. This is surely not so bad for a Jewish Colonization Association investment of only $4,000,000.

Another area of 250,000 acres was acquired in Brazil where 1,000 Jews are farming. But most of the rest of Baron Hirsch's great charitable trust fund was diverted from Argentina to Palestine due to political Zionist intrigues. Nor does Mr. Lambert mention that Dr. Herzl the original founder of Zionism favored the acceptance of the British government's offer of a National Home in Uganda, but was overruled by east European Jews, prominent among whom was Dr. Weizmann.

Kingston, Ont. A. E. PRINCE

A Far Eastern Opinion

Editor, SATURDAY NIGHT:

BRITISH Columbians, or their Anglo-Saxon or Nordic forbears migrated to the Pacific Coast where East and West meet. They found the warm Japan current which softened the climate, and they liked it. Later on they found an easy and profitable trade with Japan, and liked it. Naturally Japanese emigrants came in the wake of the trade.

Now native-born Japanese Canadians are pleading for proverbial British justice (not even to mention Christian charity) and the whites don't like it. They are calling on all Canadians from Cape Race to Nootka Sound to relieve them of their so-called unneighborly neighbors.

Let Canada assume responsibility for the proper treatment of all Canadians of native birth, ignoring ill-based clamor.

Canoe Cove, P.E.I. M. McKENZIE

Ottawa Planning

Editor, SATURDAY NIGHT:

IN YOUR article on Capital Planning in the issue of November 10 you ask how many great town planners are there in the world? It is like asking how many great thinkers there are, the answer is always, too few. You ask if the Americans made a mistake allowing a Frenchman to plan Washington? My answer is they made a dreadful mistake. No matter how badly an American had designed it, and I venture to say Benjamin Franklin would have done as good a job as Major L'Enfant, it would have had an essentially American character instead of a kind of bastard Corinthian feeling that I am sure has been having a terrible effect upon American Congressmen ever since.

After all, anyone with a creative mind and I include even writers, providing they have some knowledge of engineering, electricity, heat, light, traffic control, the elementary essentials of housing design, a feeling for mass, and a sense of structure, can plan a town.

What would you think of London without Christopher Wren, Florence without Giotto. Let the artists make mistakes, it is the only way they can ever produce masterpieces. Or if you must emulate the "American Business Man" hire the best known man available and have a thoroughly competently planned town—but without character and without soul.

Formerly you were in the forefront of all progression in the Arts. Are you content to lead us backward into the efficiency of American business with its roots in competence and its eyes on gold.

Toronto, Ont. A. A. MACDONALD

In a Nutshell

Editor, SATURDAY NIGHT:

EDUCATION should mean something more than a mere means of supplying our physical needs. It should teach us not only how to make a living, but also how to live and let live. Above all it should help us to understand and appreciate the finer things of life more fully thus lifting our outlook above the sordid prospect.

Gowanstown, Ont. ELTON NICKEL

Tower of London Survived Air Raids And Bombing

In the new year the public will again be allowed to visit the Tower of London for the first time since the war began. During that period air raids caused some damage to some of its massive walls, and a bomb dropped on October 1, 1940, within three yards of the White Tower, caused a bomb crater which led to the discovery of a hitherto unknown tunnel made in the reign of Charles II. Shortage of labor and material to repair the damage accounts for delay in opening the Tower to the general public, although a limited number of servicemen from Canada, other overseas Dominions, and the United States are being allowed to visit it. This famous fortress on the north bank of the Thames, on a slight elevation, now called the Tower Hill, is believed to have been founded by Julius Caesar; remains of Roman fortifications have been found beneath the present site. This view from the Tower itself shows ancient cannon on the Tower Wharf, with Tower Bridge in the distance.

One part of the fortress now undergoing repair is the Wakefield Tower (above), in which the crown jewels were exhibited up until 1939. The east side of this 13th century tower was severely damaged by blast from a fly-bomb in June, 1944. The room where the jewels were kept was formerly the oratory, and it is said that it was here that Henry VI was murdered (1471) while at prayers. A favorite of sight-seers is the White Tower or Keep, where the famous collection of old armor is kept. The knight in armor (below) is one of the exhibits in the Sword Room of this tower. Most of the Tower's associations are with famous prisoners who were confined here. Most recent was Hess, who was kept in the Kings House West Wing for three days soon after his arrival in Britain.

DO NOT TOUCH

The Front Page

(*Continued from Page One*)

other crime with the aid of lethal weapons, and a murder is committed in connection with the crime, all the parties to the crime are equally guilty of that murder, unless one or other of them can prove that he took action to prevent it.

It is a perfectly sound and equitable principle. Society has a right to demand that three persons who combine to commit a robbery with the aid of a revolver shall realize that their actions may lead to the killing of the victim with that revolver, and that in that event the two who were not handling it are just as guilty of the death as the one who fired it. Moreover without this principle it is frequently impossible to convict even one person of the murder, for there is usually no evidence except that of the criminals to show which of them did the shooting.

THE STRANGER

HE is returning now, to his own land.
We do not know if we will ever hold
The door for him again.
The small events of living patter endlessly
upon us,
But we walk with softer step,
As if to hear the burden of our thoughts
beat out
Across the corded plains, knotted with towns.

In the one day he lived with us
We matched the precious moments of our lives
Beside his own:
We blended faith too deep for words
And found our cherished hopes so closely kin
We could not truly say we had not met
This man before.
Had not our fathers known him,
Driving history,
Mooring a dream by written law,
Until his soul became a part of life
For which we give most thanks?

The day was gone too soon.
His ardour held up by the heart:
Conservative desire to proffer joy for tears
And bread for stones
Became a growing passion
When we gave our hands to him,
And it was hard to say "goodbye"
To such a brother of the world.

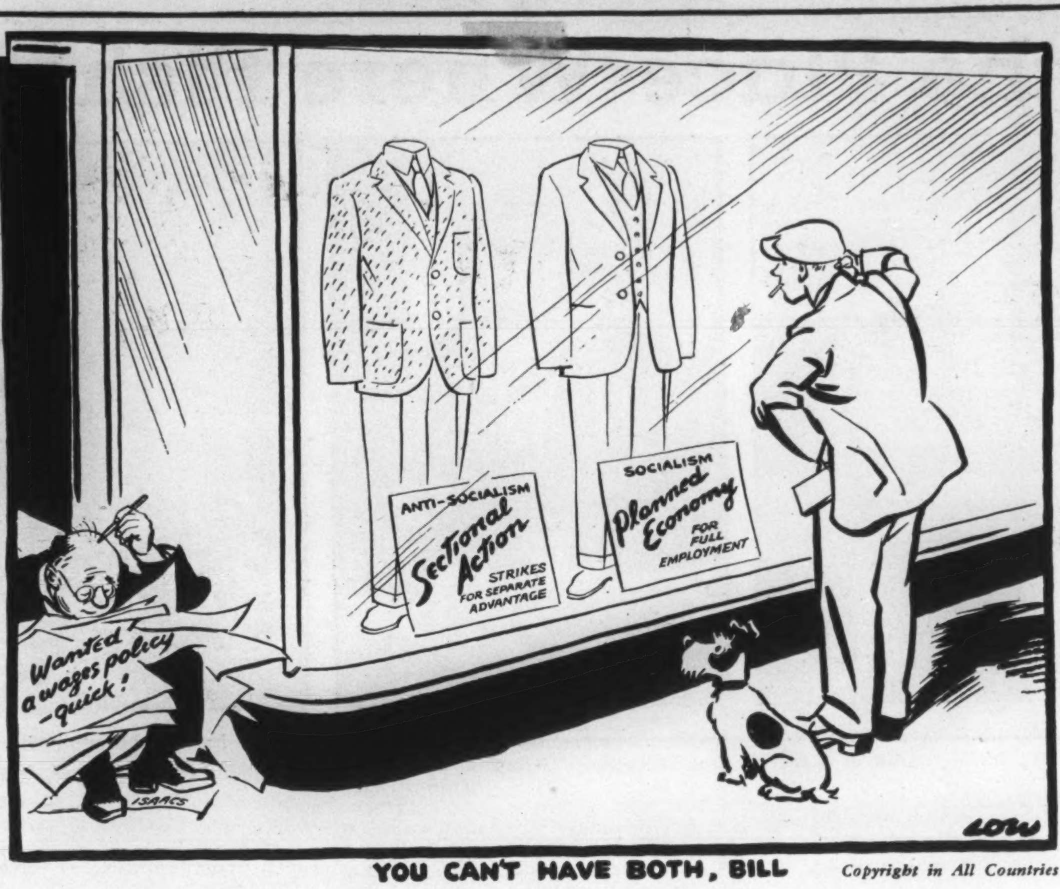
GWENDOLEN MERRIN

There has of late been growing a sentimental feeling that not more than one person should be executed for one murder. It was widely expressed a few years ago in connection with the murder in Vancouver of an Oriental storekeeper by a party of young hoodlums. (It is possible that the fact of the victim being an Oriental may have had something to do with that feeling, and it is equally possible that the Toronto hoodlums who seem to specialize in attacks on Jews may be relying on a similar racial attitude to give them some protection.) But that feeling is sentiment and not justice. If three persons combine to commit a robbery and in the course of that robbery another person is murdered, then three persons are guilty of murder, and three persons should be hanged if their participation in the robbery is established. Only thus will the young desperadoes who engage in these atrocities be convinced that the game is too dangerous to be worth the candle.

Read Hansard

WE LEARN from Mr. Beverley Baxter's "London Letter" in the latest *MacLean's Magazine* that Mr. Ernest Bevin, Foreign Secretary of Great Britain and in that capacity one of the half-dozen most powerful men in the world at the present moment (Mr. Baxter nominates him quite reasonably for the journalistic award of "greatest man of 1946"), went to work at thirteen or thereabouts on a farm and that "they must have been good people who employed him, for he used to get copies of Hansard and read the debates aloud to the farmer and his wife in the kitchen at night."

The debates in the British House of Commons, recorded in the British Hansard which little Bevin read to the farmer and his wife, are probably slightly better in quality than those of the Canadian House recorded in the Canadian Hansard. It is at any rate pretty safe betting that they seldom contain anything like Mr. Solon Low's famous sneer of last month at Mr. Angus MacInnis's wife, for the temper of the British House is not kind to that sort of thing. But if the British debates are better, the reason is largely to be found in the fact that there are farmers, and workingmen, and teachers, and professional men, and in fact all sorts of people, in Great Britain who do take Hansard and read it, in the kitchen or in the study or in the school; that the affairs of the nation are discussed in such places, in the presence of and sometimes with the aid of the farm boy or the workingman's son or daughter, and that in that atmosphere there are bred up great numbers of people who know what politics is about, what the problems of the Government are, and what the best minds of the country have to say about them to the most important audience in the country.



YOU CAN'T HAVE BOTH, BILL *Copyright in All Countries*

It may be, gentle reader, that you have a Canadian little Bevin in your home, a youngster who with the proper training might become the Minister of External Affairs or the Prime Minister (they will not always be the same person) of this Dominion. But whether you have or not, if you yourself or any member of your family is really interested in the business of the governing of Canada, it will be worth your while to procure Hansard as provided by the King's Printer for the small sum of three dollars a session. Now is a good time to subscribe. Last session's issues were well worth the money, especially those parts in which the members convinced themselves against their wills that they were really worth two thousands dollars a year more than they were getting. Next sessions promise to be even better.

Buffer States

ONE of the consequences of the introduction into warfare of the atomic bomb, as it seems to us, is the probability of a great change in the position of the "buffer" nations. We have long felt that the fate of a buffer nation was hard and unjust; and when it began to appear that the rise of Russia and the United States to front rank among great powers, together with the development of aerial navigation across the polar regions, might have the effect of making Canada one of the most buffer-like areas in the world our feelings became stronger on this point than ever. For the buffer nation is one which, simply by reason of finding itself in the path by which two front-rank nations must go to meet one-another, has in the past been doomed to be a battle-ground throughout the whole length of a conflict in which its own interests may be of the slightest, but which it cannot possibly prevent.

The use of buffer nations, to their greater neighbors, is simple; they constitute the area in which each warring state hopes to hold the enemy at bay while it is marshalling its forces for the main task of the attack upon his centres; they ensure that the enemy's bases will not, at the beginning of the war, be so close to one's own territory as to allow him the prospect of a seriously damaging attack before the defence is ready; they permit the trading of territory for time with somebody else's territory, not one's own, as the purchase price. The situation all too often ruins the political life of the buffer nation, by dividing it into rival parties whose chief difference is as to which great neighbor they prefer to see winning; there was a good deal of this in Belgium before and during the war just ended, and the political life of Greece is being ruined today by the conflict between the pro-Russian faction and the faction which desires to see Greece leaning towards the Mediterranean powers headed by Britain and France.

Atomic Objectives

BUT the importance of buffer territory seems greatly diminished by the new power to strike a sudden and devastating blow at the inner strongholds of the enemy — his solar plexus positions, so to speak,—from one's own territory without the necessity of a slow overland progress consisting in the actual occupation and military use of the intervening land. The primary objective of all atomic attack, with an overwhelming priority, must be the industrial areas in which the enemy's own production of atomic energy is carried on, and the airfields, launching platforms or other mechanisms from which the atomic weapon is started; and these are hardly likely to be in the buffer nation's territory, unless that nation is so closely allied with the great power as to be in effect an extension of its own possessions.

The whole strategic situation of Canada ensures that in any major world conflict it must inevitably be regarded as an extension of the United States, and the Permanent Defence Board is no more than a recognition of that compelling fact. But except for the mineral areas where the unstable atoms are procured, which must be defended where nature happens to locate them, none of the atomic warfare industry will be carried on in advanced or exposed positions. The occupation of buffer territory merely to serve as base for attack on the main enemy lines seems likely to be no longer necessary. Moreover, superiority in atomic attack seems likely to be established with great rapidity, and the belligerent whose atomic industries are seriously impaired while those of its enemy are relatively intact will have no hope of continuing the struggle.

Incidentally it seems highly possible that the strategic position of the great central land masses has been vastly improved as against the islands and shore areas. The atomic industries of a nation must be capable of withstanding a very far-ranging and intensive attack, and for that purpose they can hardly be well placed on an island of limited area and all of it accessible from various sides. North America with its vast area and incredible ease of transport seems to be the ideal military stronghold ; Asia is larger but its transport problems are many times greater.

The Passing Show

DURING the closing debate on the subject of additional remuneration for M.P.s Mr. King declared that Parliament was in a class by itself. The best educational authorities agree that such an arrangement is of definite advantage to backward pupils.

•

With the bleak prospect of many international conferences slated for 1946, it looks as if hundreds of newspaper correspondents assigned to these events will continue to aggravate the unemployment situation.

•

Now that agreement has been reached by the Allied Nations on the method of drawing up the peace treaties, the only remaining problem is to find a corner around which peace is reported to be lurking.

•

It is said that the United Nations Organization may make Boston its headquarters providing a plausible excuse for the decision can be thought up.

•

It is denied that the recent fire in the Quebec Parliament Building was due to spontaneous combustion following the delivery of certain admonitory comments about Ottawa by a Union Nationale member.

•

On Seeing A Certain Name in The Newspapers

Some people heave a verbal rock
At Chisholm (Major-General Brock),
While others greet with wild applause
His attitude towards Santa Claus
And take in hand a trenchant pen
To boost the gallant major-gen.

Some cry that Santa is a saint
And others answer "No, he ain't
But just a superstition venerable
Like other phobias major-generable."
No doubt the general's having fun
His name is always on Page One.

Myself, I've neither cheered nor hissed
This eminent psychiatrist;
If right or wrong I do not know;
I'm frankly bored with this whole show
And wish that both his friends and foes
Their mouths would well and truly close.

A truce to praise and criticism
Of Major-General G. Brock Chism!

L. F. G.

•

Field Marshal Sir Bernard Montgomery, in disclosing that he had been asked to accept an honorary doctorate of science at McGill University, declared that he had never heard of the University of Toronto. A genial, but entirely unofficial, reply from Toronto states that if Monty receives his Hon. D.Sc. from McGill, he may qualify to be Hon. undergraduate of the Ontario university.

•

A trade journal reports that the new post war wallpaper will be much tougher than the pre-war variety. It should be particularly effective for postfabricating prefabricated houses.

•

We are not superstitious, but we can't help thinking that Louis B. Meyer of Loew's Inc., who earned the top income in the U.S.A. for 1944 amounting to $908,070 owes much of his success to the influence of certain stars.

•

Following the suggestion that Montreal recruit women into the police ranks, a newspaper editorial expresses doubt of their qualifications for such a job. With care in selection, there appears to be no reason why they should not be able to arrest attention.

•

A New York pastor has expressed alarm at the increasing number of professional fortunetellers, but now that the war is over, we can't think of any other job that can be taken on by ex-radio commentators.

•

A medical columnist suggests holding one's breath as a cure for hiccups. If held long enough, the cure is permanent.

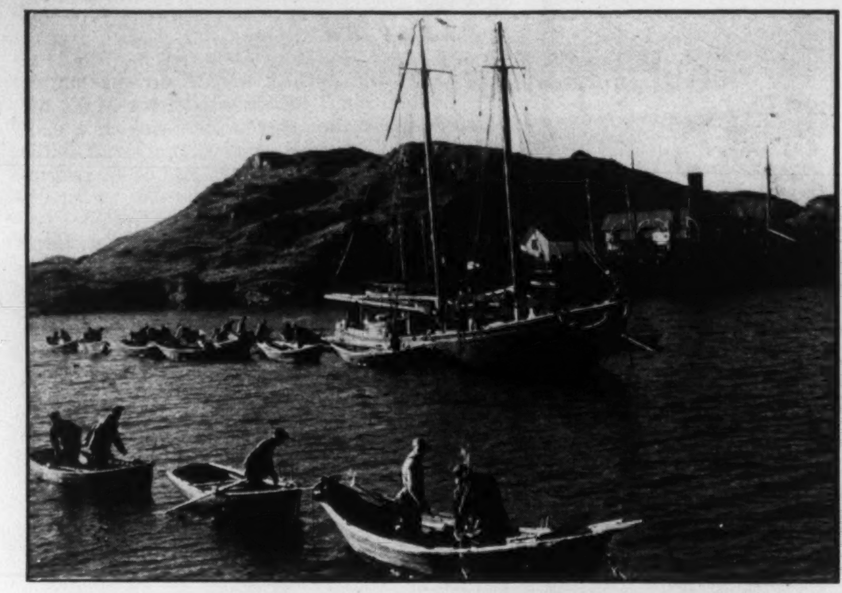
•

"Canadian publishers are entirely unsympathetic towards Canadian poets" declares the Ottawa Authors' Association. Judging by what we have seen of our niece Ettie's rejected inspirations, there is reason to believe that the feeling is mutual.

•

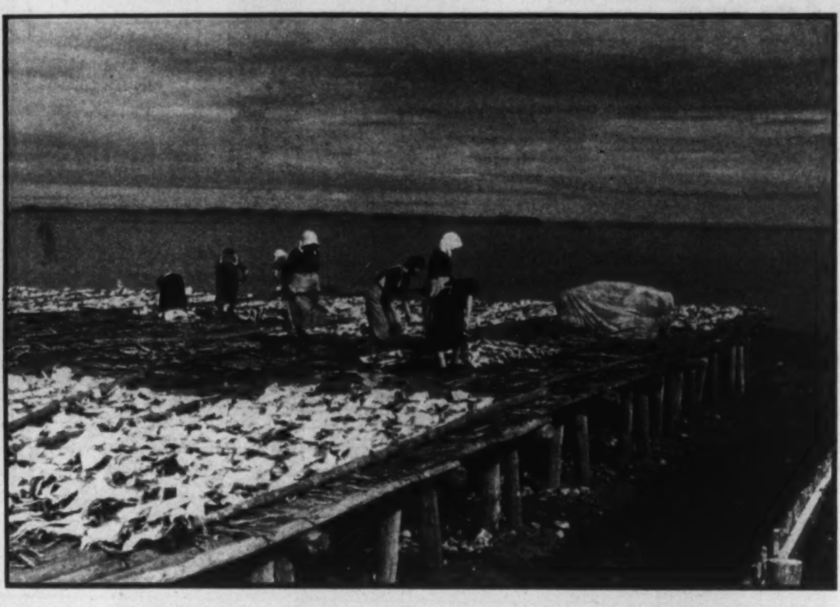
Would-be railway cooks are being trained in a nation-wide chain of special schools, the course taking about two years to complete. We are prepared to take a chance on sampling their wares if we can reach the dining car by that time.

He Tells of the Place Where Fishermen Gather

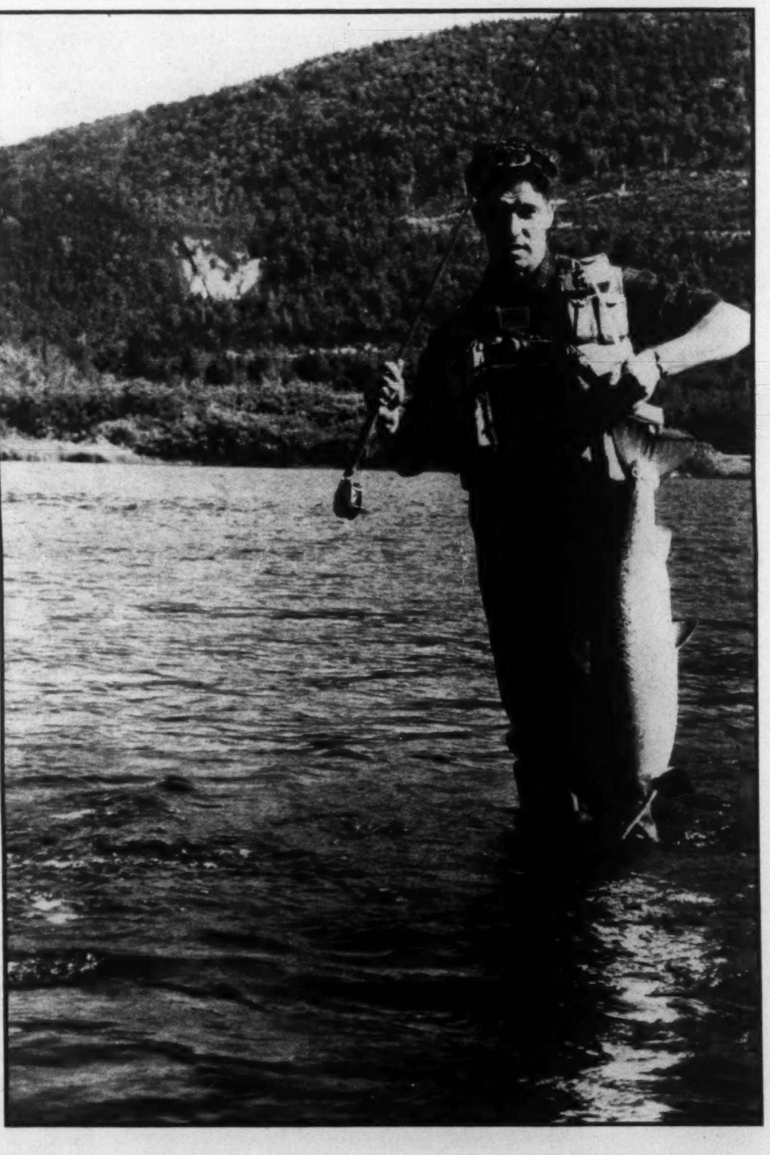


Gathering at the cry of "Squid's in!", Newfoundland fishermen take to their boats to collect the odd-looking sea animal widely used as bait.

Ewart Young edits Newfoundland's first magazine, "Atlantic Guardian."



Over half of Newfoundlanders make their living at cod fishing. Here, women spread fish to dry on this raised platform, called a fish flake.



Servicemen who spent many months in Newfoundland found the streams plentiful with big game fish and of these the king was salmon.

By HAROLD SUTHERLAND

A COUPLE of years ago a visitor was being shown through an Ontario plant where a number of girls from Newfoundland were engaged in war work. Chatting with them, listening to them tell of their activities after hours, he found them a happy lot. That is, until he suggested that some of their spare time was probably spent in writing letters home. To his surprise, tears filled many eyes, and there was an immediate saddening of the whole group.

Yes, they were homesick.

Homesick for family and friends, true enough, but also for scenes and traditions which few Canadians know anything about. Homesick, it could be, as they pictured the familiar gathering of fathers, brothers, friends for the squid jigging—subject of one of the best loved songs of the island:

> "Oh this is the place where the fishermen gather,
> In oilskins and boots and Cape-Anns battened down;
> All sizes and figures, with squid lines and jiggers,
> They congregate here on the squid jiggin' ground."

For in Newfoundland this is one of the important late summer tasks for the fishing, and fishing—cod fishing of course—is what over half the people there do for a living. Gathering at the cry of "Squid's in!" the men take to their boats to meet the school of hard-to-catch molluscs they use as bait. So squid jigging, with youth and good spirits and fellowship, is often turned into a rollicking time.

But it's really hard work. Most things about the island are hard. For of generous treatment from men and nature it has had little. Ravaged again and again by storms and fire, it has suffered since early days from cruel exploitation by merchant adventurers. At any time the ups and downs of the markets of the world can alter the whole living standard to an alarming extent. And always it has been a hard country from which to wrest a living. Nothing soft and comfortable about it. So the people who have lived there are a special kind of people — they are proud, brave, resourceful and everywhere you go, full of kindness and hospitality. In other words, they are of pioneer spiritual stamina.

How little we Canadians know of this near neighbor of ours, this country which inspires such affectionate loyalty in those who have grown up along its rugged coast, beside its busy harbors, have known Newfoundland streams, forest and countryside. But we are going to learn more. Resident in Canada now is a typical son of this oldest British colony who is doing a real job in representing his country abroad.

SLENDER, dark and unassuming, Ewart Young was born in a small Newfoundland village, taught school on the Labrador coast, worked on the *News* in St. John's and is now editing from Montreal Newfoundland's first magazine, "Atlantic Guardian."

Growing up in a minister's family which moved often, he lived in many sections of the island, got to know the people in its isolated communities — isolated because the rocky coast and lack of roads makes regular travel between them almost impossible. But on this one impressionable mind the whole composite picture of the island's life was implanted early. He saw some of the things that were needed to make life easier there. He felt how worthwhile it would be to help his country some day, because they were so fine and courageous.

Naturally a lot of his friends and some publishers too predicted a short life for his pocket-size publication. But Young, fired with genuine missionary zeal, stuck to his guns. Finances were limited and the first year was hard but with every ounce of his energy—backed by A. R. Scammell, author of the "Squid Jiggin' Ground," and Brian Cahill, also a Newfoundland journalist, now with the Montreal *Gazette*—and that of his wife going into the venture he won through in Horatio Alger style.

And now the magazine is on its feet, preaching the theme that intercontinental air travel of the future will make Newfoundland more and more important as a port of call — that finances are healthy and the way open to constructive accomplishments, including an adequate cross-country highway—that servicemen of many nations who have tasted the joys of its matchless salmon fishing are planning to return there as tourists—that Newfoundland is out of its isolation forever, and her people look optimistically to the future.

So the island has a voice going out every month, going not only to homes all over Newfoundland from Corner Brook to St. John's, but to many sons and daughters of the land who now live in Canada and the United States. Because it is edited by a Newfoundlander like Ewart Young it brings the home scenes mighty close.

But one group of expatriates, those lonely little Newfoundland girls in the war plant, are back among their own people once more, happy again as they join in the song of the island—

> "There's a bustle, confusion, a wonderful hustle,
> They're all jiggin' squids on the squid jiggin' ground!"

Group of healthy little "Newfies" on Signal Hill overlooking St. John's harbor, where Marconi received the first transatlantic wireless message, December 12, 1901.

Greatest resources of the island are fish, iron and lumber—and hospitality, as servicemen of many nations, like the two sailor lads above, discovered during the war.

Many Canadians think of Newfoundland as a wasteland, but it has much beautiful countryside, many picturesque villages, like neat and shipshape Clarke's Beach, above.

Canada's Film Future Has Wealth and New Careers

By A. J. ARNOLD

A new day is dawning for the motion picture industry in Canada. This report shows that present well-advanced plans call for a million-dollar enterprise, which will afford new and varied career opportunities for young Canadians from coast to coast. Heretofore, Canada's efforts at movie production have been mostly along the lines of documentary, educational and promotional films, and the demands of war stimulated both governmental publicity agencies and private producers to outstanding achievements in those fields.

Now that the war is over, movie work of documentary and industrial types will have a more intensive production and wider range of topics than ever, as existing studio companies continue to expand rapidly and new agencies are formed. Exhibition coverage for movie houses in all parts of the world is part of the comprehensive blue-print.

Soon, too, Canada will be taking her place in the production of entertainment films that should rival those of Hollywood or Denham.

A NEW profession and a new million-dollar enterprise are in the making in Canada in the production of motion pictures. Young people, who have been choosing careers as doctors, lawyers, social workers or journalists, can now also become film producers or technicians. And they don't have to leave the country to do it, for miniature Hollywoods and Elstrees are springing up in many parts of the Dominion including British Columbia, Manitoba, Ontario, Quebec and the Maritimes.

Canadian motion pictures will not, at first, be made to compete in the entertainment field with Hollywood extravaganzas, but rather as an aid to industry and education, the marketing of goods and products, and the promotion of better social and cultural relations with other nations. The finest in entertainment films will also be made before very long, but at present it is documentary and industrial film production which is attracting widespread attention.

One private producer in the Dominion is reported to have a backlog of orders for 150 films of this kind, to be made as soon as men and materials are available.

Before the war movie-making in Canada was negligible. The Government made a series of outdoor pictures and two private firms, Associated Screen News in Montreal and Vancouver Films (now Shelley Films with offices in Vancouver and Toronto), produced newsreels and some prestige films for private industry. There were a few other attempts of a similar kind, but it was not until the Government organized the National Film Board in 1939 that Canadian motion picture production began to attract national and international attention.

Output Rose

Two years after John Grierson was appointed to head the Board, as Dominion film commissioner, its output rose to between three and four hundred films annually. Topping the list were the two series of documentary shorts, "Canada Carries On" and "World in Action". A great variety of educational and training films were made for the armed forces and other government departments, as well as newsreel items and shorts for Victory Loan, Red Cross and other patriotic appeals. Some special interest films were also produced in cooperation with provincial governments and other interested organizations.

A great many young Canadians served their apprenticeship as members of the National Film Board staff, which increased from 40 to 500 from 1941 to 1944. They had the opportunity of working with a considerable number of internationally known film makers, beside Grierson, who were attracted to Canada to make movies. Among them were Stuart Legg, Raymonde Spottiswoode and Stanley Hawes from Britain; Jores Ivens from the Netherlands and Harold Rawson from the U.S.A. Evelyn Spice and Julian Roffman, Canadians who left the country to learn about motion pictures elsewhere, came back home. Richard Wright, the noted negro novelist, also worked for the Film Board for some time.

Private motion picture producers in Canada increased in number during the war and expanded their program, going in more and more for educational, industrial and sales promotional films.

Associated Screen News made "The Part You Play", which showed the contribution of 10,000 Northern Electric employees to the war effort and helped to solve a widespread personnel problem. "Training Table", an outstanding film which taught airmen how to keep in shape by eating right, was also produced by the Montreal outfit. A non-theatrical production originally, this film won show-time on the screens of Famous Players theatres.

Aid Industrial Progress

Shelley Films began to turn out new films, as an aid to industrial progress, on such subjects as cooperative fruit marketing in British Columbia and the making of a newspaper.

Among other industrial production groups there is now Crawley Films in Ottawa, General Films in Toronto, and Canadian Screen Publicity, Winnipeg. Audio Pictures, a subsidiary of Film Laboratories of Canada which was inactive during the war, recently began making films again, under the direction of Hans Tiesler, who has had considerable experience in the United States.

The most ambitious organization to enter the motion picture production field in Canada to date is Instructional & Sales Production Limited. This company was formed as part of an agreement between Paul L. Nathanson, head of Odeon Theatres of Canada, and J. Arthur Rank, the British film magnate, which saw the latter acquire considerable interests in Canada's movie industry.

Technical direction of the Nathanson-Rank outfit is in the hands of Frank O'Byrne, former manager of the Ontario division of Associated Screen News. O'Byrne will require a staff of 40 to 50 technicians and will seek recruits first among Canadians with Hollywood experience, of which there are many, and second from men who received training with newsreel and educational movie units in the armed forces.

Studio at Islington

Production will begin shortly at the company's studio, located 10 miles outside of Toronto in the Islington area. It is being outfitted with all the most modern equipment, including a complete film laboratory and facilities for animation and art. Output will include theatrical as well as industrial and educational sound films, and arrangements are also being made for bilingual production and dubbing of foreign language versions, particularly in French and Spanish.

Theatrical pictures to be made here will be mainly short subjects for children, which will be given Empire-wide distribution. In Canada they will be shown to members of the Odeon Movie Clubs for Young Canadians, 15 of which have already been organized and have a membership of 12,000. An Empire newsreel or a series in the March of Time class may also be undertaken if the demand develops.

The company has a considerable number of orders for industrial films from firms in Canada and Great Britain. These will be used to develop markets at home and abroad by interests in the Dominion, while British concerns will use them to promote sales here and in the United States.

Market Development

Market development is, of course, the determining factor in the growth of motion picture production in this country. Manufacturers are showing a great deal of interest and recently the Association of Canadian Advertisers held an open forum in Toronto where the case for industrial films was presented. Parts of films were screened to show specific ways in which they could be of value in increasing sales and facilitating manufacture. The meeting was attended by advertising representatives of many industries and top men from some of the motion picture production groups previously mentioned were also on hand.

It has been predicted that a million dollars a year is already waiting for the production of industrial films in Canada, according to the motion picture trade publication, Canadian Film Weekly.

In the United States the J. Walter Thompson Company a leading advertising agency, is now averaging a picture a week for industrial customers as compared with four or five annually up to 1939. R. M. Gillham, who was advertising and publicity director for Paramount Pictures, one of the top Hollywood production companies, resigned his post last summer to join the Thompson agency in promoting industrial films. The field has become so promising that several leading Hollywood companies are organizing new departments devoted to industrial production.

International Field

This should not deter private producers in Canada from entering the international field however. Canadian-made motion pictures have won their place on the screens of the world through the work of the National Film Board. Documentary and educational films made here have gained recognition as being among the best of this kind made anywhere.

Proof of this is indicated in the fact that the Board's "World in Action" shorts were seen all over the world by a total monthly audience estimated at about 35 million people. They have been shown on more than 5,000 screens in the United States and in close to 1,000 cinemas in Great Britain, as well as in 600 theatres here at home.

"Churchill's Island", one of the films in this series, won an award of merit from the Academy of Motion Picture Arts and Science in Hollywood.

At the San Francisco Conference of the United Nations nine Canadian documentaries were included among those shown the delegates, with "And Now the Peace" being exhibited twice. Mary Losey, then on the staff of the Film Board, was hostess in charge of the documentary program at the conference theatre.

A young Canadian musician, Louis Applebaum of Toronto, was borrowed from the N.F.B. to write the musical score of two of the top pictures of the year, "Tomorrow the World" and "Story of G.I. Joe", for Lester Cowan, the Hollywood producer. Applebaum refused a contract to remain in Hollywood permanently and has since returned to the Dominion.

John Grierson resigned as Dominion Film Commissioner several months ago and has since organized International Film Associates, a non-profit film foundation aimed at promoting production and circulation on an international scale of motion pictures dealing with economic, social and educational subjects. The foundation itself will not engage in production but provide research and planning assistance on a consultative basis for international agencies, government bodies and all organizations or individuals interested in organizations of this kind.

Associated with Grierson in this new project are M. A. Adamson, representing Canada; Stuart Legg and Raymonde Spottiswoode from Great Britain; Robert Flaherty and Mary Losey, United States; Jean Benoit-Levy, France; and John Fernhout, the Netherlands. The organization has been chartered in Washington and will maintain offices in Ottawa, New York and London, with an extension to the European continent planned.

Despite the fact that the man who guided it to international renown is gone, the National Film Board, which was organized largely as an aid to the war effort, continues to fill a vital need in the postwar world and is continuing with a peacetime program which has been but slightly curtailed. Ross McLean, deputy film Commissioner is carrying on as head of the Board pending the naming of a successor to Grierson.

In 11 Different Languages

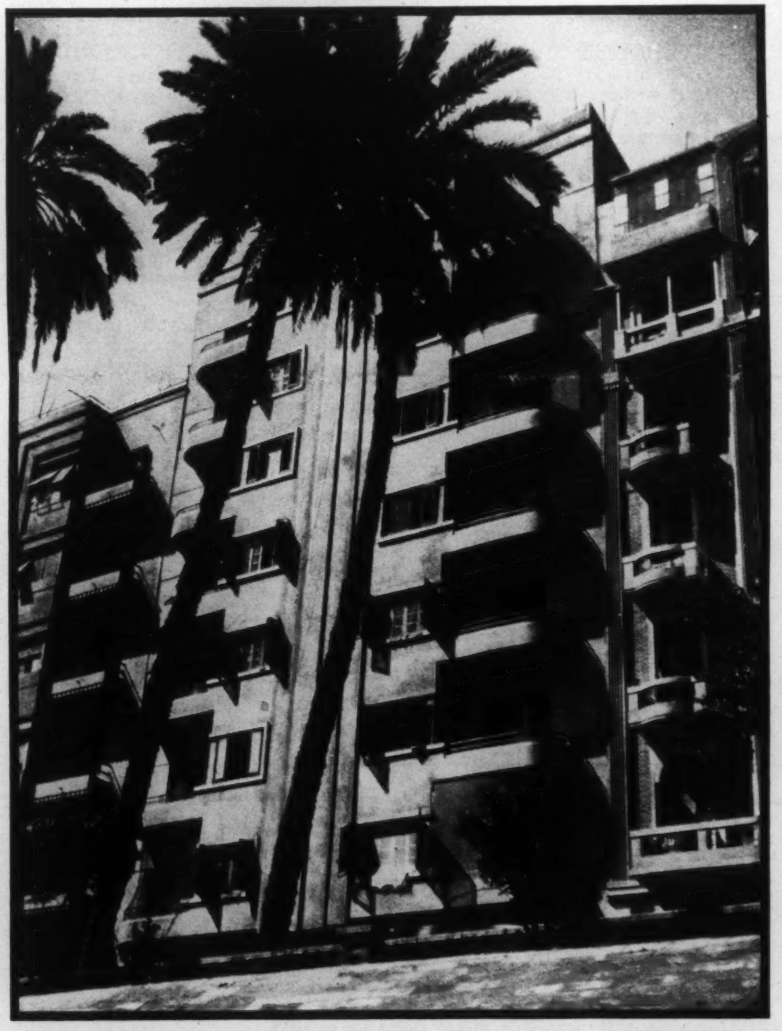
N.F.B. - produced non - theatrical films are being shown all over the world in at least 11 different languages including French, Russian, German, Polish, Czech, Dutch, Norwegian, Spanish, Portuguese, Chinese and Hindustani. These are designed to tell other nations about Canada and about each other. Many of them deal with practical problems such as public health and nutrition, housing and town planning, as well as cultural topics of art and music.

What better advance agent could there be for other films selling Canadian wheat and lumber, clothing and machinery, and promoting Canadian artists and musicians?

Motion pictures can overcome all language barriers and are undoubtedly the most easily understood method of expression. And in competition for world markets, of which Canada must have its share, it may well be the country with the best films which will sell the most goods.

Industrial motion pictures are made largely on 16 millimetre film and a further aid to their production and use is the fact that 16 mm. projectors are now being manufactured in Canada for the first time at two Ontario plants, one at Leaside and the other at Ottawa. The projector being made by the Canadian Motion Sound Company, Leaside, is a compact 40-pound unit with a simplified design which will sell at less than the price of a radio set when it first appeared on the market.

Incidentally the 16 mm. film, which already has a virtual monopoly on non-theatrical production, is now offering a serious threat in the entertainment field where 35 mm. film is still standard. The narrow-gauge film will help Canadian producers to compete successfully in the field of motion picture entertainment where the greatest profits are still to be had. It will also have a great effect in changing the character of entertainment both in the home and at the theatre.



The ancient and extremely modern can be seen almost side by side in Egypt. These modern streamlined apartments have been built in the district of Geriza, Cairo, within sight of the Nile. But whatever else may change, the river remains the centre of the fellah's, or peasant's activities. Here village boys scrub a sheep in its waters.

German Plight Threat To Health of World

By BASIL FULLER

This winter's battle against starvation and disease in Germany will be a deadly one. Wheat and other agricultural crops not only fall far short of basic food requirements but are inequitably distributed, since the highly-populated western industrial areas, occupied by British, French and American forces, are cut off from their usual main source of food supply, the Russian-held agricultural provinces. Intensifying this situation is the constant movement of thousands of displaced persons into the western zone, where not only food but shelter is wholly inadequate.

The writer of this article, a Canadian, who served in the R.A.F., writes from Germany. He points out the probability of widespread epidemics in the Reich and warns that Germany's plight has world significance—for "disease respects no frontiers nor seeks a passport to cross seas and oceans."

Berlin.

SOUNDS of war have ceased in Europe, but the silent winter battle is threatening to be as deadly as the fight which ended last Spring. In all zones of occupation, this new battle must be fought upon three fronts — starvation, disease, and inadequate shelter.

Germany grew about 12.8 million tons of wheat and rye in 1938. This was an average crop before the war. During the war, production of wheat and rye fell to between 10½ and 11 million tons. This year the crop was further reduced, partly by invasion damage, and partly by the August rains which largely discounted the effect of "Operation Barleycorn," the plan substituting the work of half a million German soldiers for the labor of slaves released by the Allied conquest. Other crops were depleted proportionately by the sway of battle across garden and field.

To assess the present position accurately, however, two further factors must be considered. Whereas 58 per cent of Germany's pre-war crop was raised in eastern agricultural provinces, now occupied by Russia, the preponderance of population lives in western industrial areas, now occupied by British Commonwealth, American and French forces. Moreover, most refugees seem to prefer to enter the British zone, there being a deeply-rooted conviction that with us a better living standard may be had than elsewhere. British authorities have built seven huge camps, each to take 20,000 to 25,000 refugees at a time. At least 12,000 persons cross our "frontier" daily, and already a total of close upon a million have passed through official posts.

Mass "invasions" constantly tax the resources of the zone. For instance, a unilateral decision of the Soviet authorities that Germans whose domicile was in the British zone must leave the province of Brandenburg within 24 hours, recently faced us with the immediate arrival of 200,000 persons who, since the beginning of the war, had moved into the Soviet occupied zone. Fortunately, this order was modified subsequently.

Thus, the greater part of Germany entered the winter with (a) little food, (b) available food stocks inequitably distributed, (c) constant movements of vast numbers of refugees who upset the food balance wherever they arrive. These factors go far to undermine what little health remains in the country. Even in the summer the people showed a marked inability to resist disease.

Great Plague Began in China

Disease respects no frontiers, nor does it seek a passport to cross seas and oceans. The Great Plague which decimated Europe in the 17th century originated in China. So the German plight has significance for the whole World, and the men now administering ex-enemy territory must willy-nilly heed the opinion of Sir Jack Drummond, Chief Adviser on Nutrition to the British Ministry of Food, who states that 1,550 is the minimum of calories needed by each individual if public health is to be maintained. For the sake of world health—and not particularly for that of the Germans, or, for that matter, of the Japanese — our ex-enemies must receive this minimum supply of food.

Against the German position must be more than balanced the situation of European Allies. Dr. H. C. M. Case of U.N.R.R.A., following study of food production in Holland, Denmark, Belgium, Norway, Czechoslovakia, and Yugoslavia, is of the opinion that 90,000,000 people in these countries will have to exist on a diet insufficient to enable them to fight off disease unless they have upwards of 9,000,000 tons of food.

Demand for grain to feed the people has reduced supplies for livestock. So the yield of milk has greatly declined, and pigs and other meat animals are slaughtered light. In Germany, the fighting destroyed large numbers of cattle. Thus, from a combination of the above-mentioned causes, meats and fats will be almost unobtainable by Germans. Indeed, it may happen that, until next Spring, dry bread will form the greater part of the German diet.

Luxury Crops Eliminated

Drastic measures to increase the German potato crop by 75 per cent and the grain crop by 10 per cent, include the complete elimination of luxury crops, and the conversion of more than a quarter of a million hectares of grassland to the plough. The latter measure must still further reduce the numbers of cattle, but grain is considered of greater importance.

No fewer than 80 former German airfields and landing grounds have been released by the Americans for use as plough land. The gravity of food problems in this area is underlined by the opening at Frankfurt-am-Main of a community kitchen equipped to feed about 75,000 persons a day. This figure represents 25 per cent of the city's population. Meals cost the equivalent of about five cents.

Danger of epidemic is increased by the vast movement of displaced persons, which occurs chiefly from East to West.

Typhus, the louse-borne scourge, is now probably a more serious menace to life than was the bomb during the war. In his famous "Journal of the Plague Year," Defoe tells how refugees from stricken London were met with guns when they tried to enter country towns and villages. So great was the peril of disease that when the refugees besought food, shouting from a distance, the country people placed saucers filled with vinegar as receptables for infected money. In return food was thrown to the unfortunate travellers. These primitive precautions were partially successful.

To-day in Germany a "cordon sanitaire" has been set up in districts where the refugee pressure is great. For instance, watch is kept upon roads and railways leading from the Russian zone into Hanover and Schleswig-Holstein so that refugees may be medically examined and suitably cleansed before being allowed to go on their way.

German Doctors Released

Apathy seized upon the German Public Health Administration when their armies fled. Reluctantly and with small heart, they responded to compulsion, preparing for the large-scale immunization, which, it was foreseen, the winter would demand. Doctor prisoners and their staffs were released quickly to help in this work. The medical services of the broken *Wehrmacht* were combed with a like purpose.

Urging the makers of medical supplies into renewed activity, the military authorities organized a nation-wide hunt for hoards of medical equipment accumulated by the Nazis. The largest find was made by the Americans who came upon a cache of pharmaceutical goods including 3,500 boxes of chloroform, aspirin, and vaccines.

Urgent priority is given to the repair of war-damaged hospitals, the opening of new emergency wards, and the organization of fresh clinics. One result of this hard drive is that, in the British zone, as many hospital beds are now ready for use as were available before the war. This is excellent work, but it is feared to be entirely insufficient should serious epidemics occur, as is almost certain to happen. As a preliminary measure to meet this probable contingency, fleets of ambulances are concentrated at central points. This is an excellent move because epidemics are unlikely to spread equally over the country. But, under this scheme, transport will be ready to move the sick at speed to areas where hospital accommodation is less pressed.

Problems of shelter are as closely linked with disease prevention as are those of feeding. Rather more than 4,000,000 German dwellings were destroyed, or so seriously damaged as to be uninhabitable. About 7,500,000 people became homeless. Lack of materials and transport prevent more than a small proportion of the ruined homes from being rebuilt quickly. The Germans themselves show little initiative in this matter. The magnitude of the task seems to stun them into inaction.

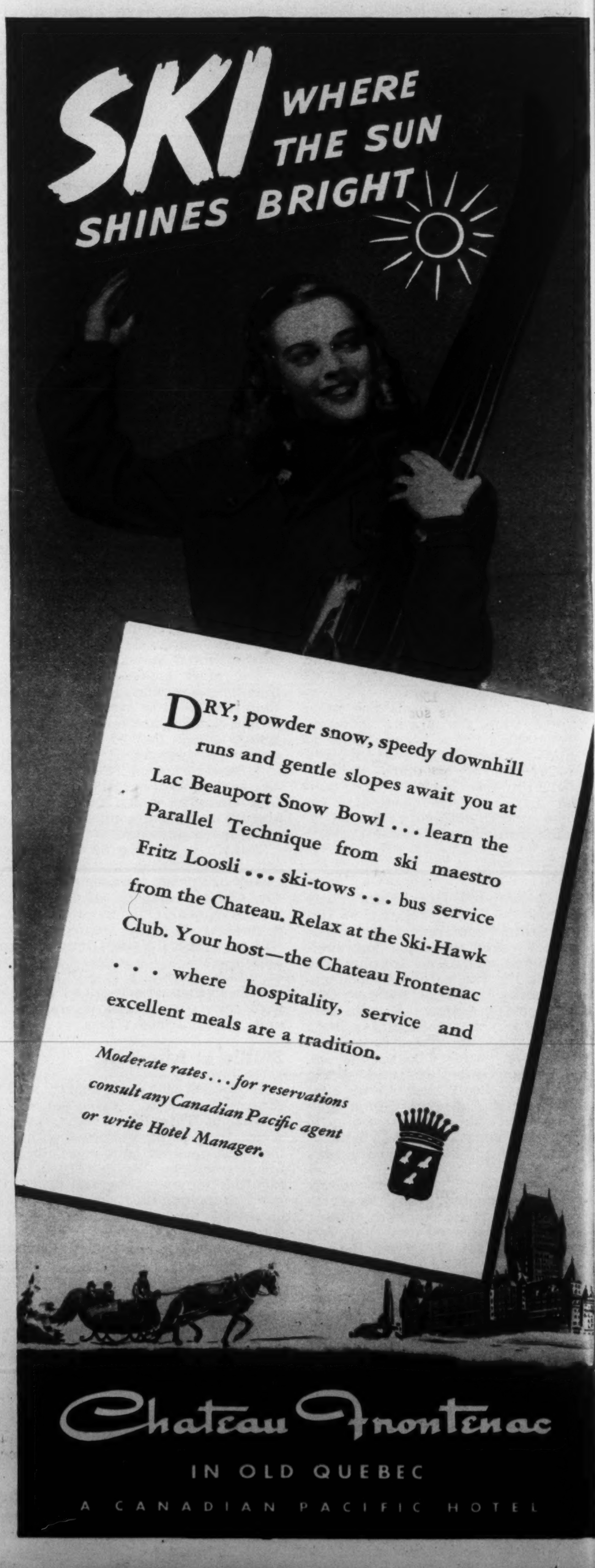
Resentment is shown by some Germans against what they term "slow and haphazard relief." These people demand as a right that the Allies should resolve their problems. This frame of mind is strongly discouraged, but it persists. Other people admit the folly of demanding rescue from a conqueror; these spend much valuable time in vain recriminations against other classes of their own people. But all agree that the state of the national health is perilous in the extreme, that nothing can be done effectively without Allied aid, and that the toll of winter may be worse than that of war. Some even find a perverted joy in prophesying the worst, and in hoping that the victor will be scourged equally with tne vanquished.

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

45-1


SKI WHERE THE SUN SHINES BRIGHT

DRY, powder snow, speedy downhill runs and gentle slopes await you at Lac Beauport Snow Bowl . . . learn the Parallel Technique from ski maestro Fritz Loosli . . . ski-tows . . . bus service from the Chateau. Relax at the Ski-Hawk Club. Your host—the Chateau Frontenac . . . where hospitality, service and excellent meals are a tradition.

Moderate rates . . . for reservations consult any Canadian Pacific agent or write Hotel Manager.

Chateau Frontenac
IN OLD QUEBEC
A CANADIAN PACIFIC HOTEL

Youth Worst Sufferer If Employment Fails

By EUGENE FORSEY

The Canadian Youth Commission's Report on the problems of youth and employment in postwar Canada, is discussed here by Mr. Forsey, Director of Research for the Canadian Congress of Labor.

The Report recognizes the fact that if we fail to achieve full employment, youth will be among the first and worst sufferers, but that, even with full employment, youth has its own special problems if it is to get its full share of the benefits thereof. The slackening of the demand for young workers in industry for economic reasons, restriction of entry into the skilled trades, the supervision of apprenticeship schemes so that young people in poor circumstances shall not be excluded, training for new workers, vocational guidance and the development of the Dominion Employment Service as it affects youth are discussed clearly and sympathetically in the Report.

BEFORE demobilization and reconversion began, there were probably about 450,000 young people in the services and some hundreds of thousands in war industry. Some of these will be anxious to continue their education; some of the girls will marry and withdraw from the labor market. But most of the young people in the Forces and in war industry are, or soon will be, looking for jobs. So will most of the 200,000 young Canadians who reach working age each year.

The problem with which the Canadian Youth Commission Report, "Youth and Jobs in Postwar Canada" (Ryerson Press), deals is, therefore, no small one, especially as many in the Armed Forces had no full-time work before enlisting, and many others have acquired new skills during their service.

Jobs for All First

The book starts with the recognition that we can provide jobs for youth only if we provide jobs for all. For if we fail to achieve full employment, youth will be among the first and worst sufferers. The depression proved that, and young people themselves, as this Report makes clear, are well aware of it. Not the least interesting and valuable section of the work is the late Dr. George Luxton's on general full employment policy, which embodies proposals going far beyond the Dominion Government's White Paper and Proposals to the Dominion-Provincial Conference, but still essentially moderate and "middle-of-the-road."

But the Report also recognizes that even with jobs for all, there will still be special employment problems for youth. During reconversion, young workers, just out of school, may be "pushed aside and forced to wait until others have their claims satisfied." Even when reconversion is over, there is the basic difficulty that "it is becoming increasingly uneconomic for employers in some industries to employ workers of 18 years or less, except for blind alley jobs or at times when there is a labor shortage." Accordingly, the Report proceeds to consider, not only full employment in general, but also the means of making sure that youth will get its due share of the benefits of full employment.

In framing policies to meet the needs of these young workers, governments, employers and unions will find this Report an invaluable help. In the first place, they will be stimulated and challenged by the attitude of youth itself as disclosed in the 800 briefs, the special Gallup Poll of Youth Opinion, and the sample interviews with young people summarized in the first part of the book.

Overwhelmingly, youth is convinced that without full employment its economic problems cannot be solved at all. Almost as overwhelmingly, it is convinced that private enterprise alone cannot provide full employment. Only a few go so far as to state that private enterprise cannot do the job at all, but, on the other hand, only a few think it can do the whole job. A great majority think government aid and government control, and control going beyond mere regulation, will be needed.

Quebec and the Maritime provinces furnish most of the out-and-out supporters of private enterprise, and also most of the "undecided," Quebec and Ontario most of those who feel government help will be necessary but not government controls. Western Canada has a large majority for government help plus controls.

More Government Action

Most of those who favor more government action want it to foster new industries, decentralize industry (this, of course, especially from the Maritimes and the West), and to encourage any large public works programs. They want social security, national minimum wage standards, equal pay for equal work, a shorter working day, earlier retirement from industry (with adequate pensions), higher living standards for the countryside, more and better education, equality of educational opportunity, better vocational guidance, better apprenticeship schemes in suitable cases, better employment services.

Most of the young people who submitted briefs, or who were polled or interviewed, favored both cooperatives and unions, though some of the statements on unions showed only a hazy notion of what unions are and some vague fears that they might get "too much power." It is both interesting and encouraging that on the whole youth's own estimates of its needs coincide pretty well with the experts'.

In the second place, the Report has an excellent brief analysis of long-term trends in population and economic development basic to the understanding of the employment problems of youth:

(1) The "ageing" of the population. Youth is getting to be a smaller and smaller proportion of the total.

(2) The slackening of the demand for young workers in industry (already referred to). There is less and less place for young beginners; more and more jobs formerly done by young people are now done by machines; where youth is employed, costs increase because of higher accident rates, more breakages and waste, greater labor turnover, and the need for extra supervision.

(3) The unequal powers of various occupations to provide new jobs. The primary occupations (e.g. agriculture) have, over a long period, taken a smaller and smaller proportion of the working force, and this seems certain to continue. Manufacturing and construction show no signs of being able, in the long run, to take a larger proportion than in the past. For men, transportation, trade, finance, service and clerical work, and for women trade, finance, clerical work and the social services, offer the best prospects for expansion.

Skilled Trades Restricted

In the third place, there is some interesting discussion of restriction of entry into the skilled trades, apprenticeship, and the role of seniority. The Report recognizes that if a trade is declining, restriction of entry "may perform a useful function," but notes the danger that it may be used for purposes of "self-interest or prejudice," and thus militate against youth's chances. It believes that a large part of the solution rests with enlightened labor leaders with a sympathetic understanding of youth's problems; but it suggests also "some provision for review of union activities by public authorities where there is evidence that abuses exist."

It calls for government supervision of apprenticeship schemes to ensure that all youth with the necessary interest and ability may qualify, that the cost of training shall not exclude young people in poor circumstances, and that the position of the unions concerned shall not be weakened by too large a number of apprentices. It recognizes that a system of seniority is indispensable, notes that when lay-offs come it is bound to mean difficulties for young workers, and concludes that there is no remedy for this situation except to avoid the lay-offs by a full employment policy or, where lay-offs take place in particular industries even under conditions of full employment, to take special measures to provide for the needs of youth.

Special Measures

Fourth, there is a useful discussion of these special measures: the raising of the school-leaving age, the prevention of child labor (of which there is still a good deal in Canada), the development of apprenticeship, training for new workers and retraining for workers unavoidably displaced (for example, by the closing down of war industries). In regard to the last two, there is emphasis on the necessity of union participation.

Fifth comes a long and careful account of youth work programs in Canada and other countries, with detailed suggestions for a future Canadian program. The Report is emphatic that wages paid on youth work projects should be at the standard rates prevailing in private industry, given comparable quantity and quality of work (young people just learning the job cannot expect the same rates as experienced workers).

Sixth, there is a long section on the development of the Employment Service as it affects youth. If the job of youth placement is to be adequately done, the Dominion Employment Service must, to begin with, have as complete a record as possible of all vacancies and all applications for work. It must also be developed to the highest possible level of efficiency: Local offices operated on a routine level will not do. These must be manned by persons of competence and specialized training in the placement field."

These are, of course, requirements for the success of any employment policy for workers of any age. But there is another, specifically for youth: each such office must have a special department for young persons up to 20 years of age. The Report emphasizes the useful part which can be played by active and competent local advisory committees, with union representation.

Seventh, there is a long section on vocational guidance and occupational training for service personnel, displaced war workers, "beginning workers," and rural youth, with special attention to the parts to be played by the schools, the employment offices, community agencies, rehabilitation centres (which it is "hoped" will be located in key cities), and industry itself.

No summary or review of such a book can do it full justice. It is a masterpiece of compression. It is clear, balanced and admirably written. It will be indispensable to all who are interested in youth, in the problems of employment, and in the future of Canada.

Ford Truck Headquarters
PUDDICOMBE'S
Bloor and Dundas Sts. KEnwood 9401
PLACE YOUR ORDER NOW FOR 1946

GRAPHIC *Sales Management!*

SUMMARY RECORD OF SALESMAN'S PERFORMANCE
BY PRODUCT CLASSIFICATION

Tomorrow's administrative technique is **HERE TODAY!**

To executives seeking the simple and sure administration on which profitable selling must depend in the future, Remington Rand now offers the Kardex Sched-U-Graph Chart Board. This is the new and 100% graphic control that shows where any business stands by inter-relating the facts of its sales progress.

Indexed by salesmen, territories, branch office, or retail outlet, this new control brings all-over accomplishments by product or line classification out into the open—charts them for quick, accurate analysis.

Objectives and progress to date are made pictorially clear at all times Graph-A-Matic signal control spots weaknesses wherever they occur. Lack of interest or understanding, or inadequate coverage is quickly evident. When corrective measures are needed, warning is given before the attainment of sales goals is endangered!

Sched-U-Graph Sales Control is designed to meet the individual requirements of any wholesale or manufacturing concern.

We first developed this chart board for the wall of the General Sales Manager of our own Systems Division. Its value in simplifying many management problems has become so great that we know its "Fact-Power" can increase the "Sales-Power" of other companies too.

Inquire now! Sched-U-Graph Chart Boards for Sales Control are described in detail in our important new 96-page study—"Graph-A-Matic Control for Sales Management." This valuable book belongs on your desk. Get your free copy—from our nearest Branch Office.

Remington Rand
HEAD OFFICE: 199 BAY STREET, TORONTO
BRANCHES IN ALL PRINCIPAL CITIES

THE OTTAWA LETTER

Important International Meetings and Domestic Issues in 1946

By WILFRID EGGLESTON

IF IT is the habit of Mr. Mackenzie King, or other members of the Dominion Government, to sit down at the beginning of the year and contemplate the important coming events of the next twelve months, domestic and international, they must have been impressed on New Year's Day with the momentous agenda already in sight for 1946. It will be very difficult to find in all history a year more teeming with outstanding dates than the year just past, and so 1946 might have been expected to come along as something of an anticlimax. But even the most cursory enumeration of pending events suggests another tolerably busy year for all concerned.

In the international sphere, the first prominent item is in the initial meeting of the general assembly of the United Nations Organization which opens in London next week. Two members of the cabinet are on the high seas en route to it; another is in London. A fourth minister (Hon. James MacKinnon) will be in London about that time on other matters.

Peace Conference

It begins to seem highly probable that the peace conference or conferences will be held (or at least be begun) in 1946. At one time there was a suggestion that a formal peace conference in the 1919 sense might never be held at all. From the hints which came out of the recent Moscow meeting, however, it would appear that a decision has been reached on calling a conference, and that the basic decision about representation has been made. Authorities here say that place and date are not yet settled, but that they will be fixed soon by consultation between the governments concerned.

For a country whose economy is so intimately geared with international trade as is Canada's, no event of its kind can be fraught with much more significance than the proposed International Conference on Trade and Employment, to be held, it is expected, "not later than the summer of 1946."

It will be recalled that the proposals for such a conference—aimed at restoring a much freer trading world on a multilateral basis after the war—were first advanced by the United States in November, 1945. The idea itself stems from a consideration of the United Nations Organization and the special bodies which have already been created under its aegis to deal with emergency relief, with currency, with international investment, with civil aviation, with labor, and with food and agriculture.

The aim is, in the end, to create a permanent International Trade Organization, dedicated to the encouragement of world trade. An interim step would be the calling of an International Conference on Trade and Employment.

The U.S. State Department, in taking the responsibility for calling such a Conference, stressed the value of adequate preparation in advance. That in turn led to an invitation to what they called, I believe, a preliminary gathering of fourteen "nuclear" countries, of which Canada was one. The invitation was issued in December, and on the 17th of that month Canada announced its acceptance, being the first country to do so. Premier Mackenzie King, when telling the House of Commons about it, said it would probably be held in the spring. No more precise details of place and time have yet been released.

Canada's Big Stake

Even a casual glance at the published proposals for the forthcoming International Conference on Trade and Employment demonstrates that Canada will have a big stake in its success. If pious hopes are translated into quick and effective action, it will transform the whole economic climate in which Canada has been operating since the last war.

The U.S. sentiment which underlies the State Department's proposals is a welcome change from the Fordney - McCumber, Hawley-Smoot philosophies:

"World trade is not only the device through which useful goods produced in one country are made available to consumers in another; it is also the means through which the needs of people in one country are translated into orders and therefore into jobs in another. Trade connects employment, production and consumption, and facilitates all three. Its increase means more jobs, more wealth produced, more goods to be enjoyed.

"Countries should therefore join in an effort to release trade from the various restrictions which have kept it small. If they succeed in this they will have made a major contribution to the welfare of their peoples and to the success of their common efforts in other fields."(page 2 of Analysis of U.S. Proposals).

In the domestic field, the year 1946 is likely to see agreement between Dominion and provinces on some formula for the reallocation of taxing authority. It will not be easy to come to terms satisfactory to both sides, but the deadline is drawing nearer and all parties will be subject to pressures which will tend to make an early settlement desirable. Canadian industry is particularly anxious to hear of a tax agreement being reached between Dominion and provinces, for until then it is almost impossible to guess who the taxing authorities will be nor the total incidence of taxation upon business. The Dominion Government is keen to have the fiscal side of its post-war problem clarified. As for the provinces, their present tax agreements expire at the end of 1946, their revenues from such a source come to an end, and in the absence of a new agreement, they must begin at once to prepare the tax machinery and the legislation for a re-occupation of their old tax fields (not quite their old fields, for Mr. Ilsley has squatted square across many of them with his high war levies). The current taste of seasonal unemployment, the threat of a return to the old days when the burden of relief was primarily a municipal and provincial responsibility, are also factors tending to speed up some kind of settlement with the Dominion on this outstanding matter.

Rehabilitation Test

The coming year will provide the first major test for the Dominion Government's programs for rehabilitation and employment. Some seasonal and frictional unemployment during a period of such rapid change-over of the economy from war to peace was generally anticipated, but by midsummer of 1946 the general public will expect the government "magic" as outlined in the White Paper on Employment and Income to be working properly, and if there are not by then jobs for practically everybody who wants one the chorus of criticism will begin to take on depth and range.

These are sobering items on the 1946 program. In the political sphere Canadians are in for a quiet year, unless the Mackenzie King government should be defeated on a want-of-confidence motion, which doesn't seem likely at this date. There are no provincial general elections imminent, unless something goes wrong in the bailiwick of Monsieur Duplessis. Indeed, in the absence of some unexpected flare-up there will be no general elections in either Dominion or provinces for several years.

• •

Blast walls that protected the Wellington Monument, as well as many other famous monuments in St. Paul's Cathedral, are now being removed.

Hand - Controlled German Torpedo

By GORDON HOLMAN

The Germans had nearly perfected several new torpedoes whose exact course would have been controlled from firing point until they actually struck home. Tests are now being followed through by British experts.

A NEW type of torpedo which would have been guided to its target by a thread of steel wire is being demonstrated to British experts by German naval scientists.

These torpedoes, which were not used during the war, were in the last stages of testing at the German navy's scientific station at Eckernforde, on Kiel Bay, when Germany surrendered.

In the various stores at Eckernforde, some hidden in the woods, we found 6,000 torpedoes, I am told. They were all available for the team of scientists working there and many of the torpedoes incorporated novel ideas.

British experts, who have been working at Eckernforde for several months, have divided the torpedoes into three general classes: (1) Those controlled by a thin wire carrying an electric impulse; (2) those controlled by radar, and (3) acoustic torpedoes.

The German scientists who have worked willingly with our experts, demonstrate the weapons in the narrow inlet at Eckernforde under British supervision. Tests are carried out at night, the target being towed by a German E boat. The wire of the torpedo which remains linked to its firing point until it hits its target, is carried in the torpedo itself. The control of the torpedo is centred in a small dial, about the size of a tea saucer.

There can be little doubt that the Germans were within a few weeks of perfecting one of the most remarkable weapons ever used at sea.

With their new types of torpedoes, U-boat captains would have retained thumb and finger control of each torpedo until it actually struck home. Not only is it possible to change the course of the torpedo to port or starboard, but from the tiny control panel the torpedo can be brought to the surface or made to dive.

At night the U-boat commander would have been able to follow the course of the torpedo by a tiny light in the tail which would have been invisible to anyone in a ship ahead. The Germans had also developed a trackless torpedo.

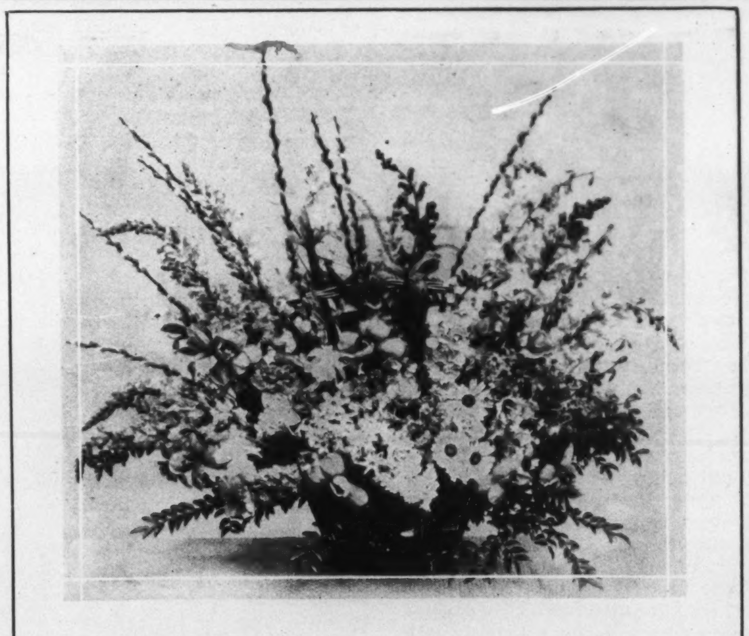
In the testing station at Eckernforde the course of the torpedoes fired can be followed on a large screen. The way in which the weapons follow and ultimately catch up with their targets is said to be "uncanny."

THE INN AT PONTE VEDRA BEACH
FLORIDA
Club plan. Open all year. Golf. all sports. Attractive cottages. Call or write LOUISE GIRVAN, Canadian Representative. 67 Yonge St., Toronto, or write direct.

Mido
WINDS AS YOU GO*
When skiing, wear a Mido—the 100% waterproof watch that winds itself.* Shock-resistant, anti-magnetic, 17 jeweled. Sold and serviced in 65 countries Supply limited. Worth waiting for.

Mido
MULTIFORT SUPER-AUTOMATIC
Write for Illustrated Booklet S16
MIDO WATCH
410 St. Peter Street
MONTREAL, Que.

For Richer, Heartier Flavor
C&B SAUCE
On Meats • Fish • Game
In Soups • Gravies • Stews
Made by
CROSSE & BLACKWELL
Fine Foods Since 1706



What Gift More Charming than A Basket of Spring Flowers?

Leading florists sell spring flowers grown at the home of the famous DALE Autographed ROSES.

Dale Estate Limited
BRAMPTON ONT. - MONTREAL QUE.

FINE FLOWERS SINCE 1894
SIMMONS AND SON LIMITED
ERNEST S. SIMMONS, President and Managing Director
350 YONGE STREET AT ELM
ELGIN - 9286 - 9287 - 9288
DISTRIBUTORS FOR DALE AUTOGRAPHED ROSES

FROM THE EDITOR'S CHAIR

Are Low Interest Rates a Way of Bringing About Socialism?

By B. K. SANDWELL

SOME of my friends who are worried about the insidious encroachments of Socialism in Canada maintain that the policy of cheap money now being pursued by the Finance Department and its big brother the Bank of Canada is itself a means, and some of them say à deliberately chosen means, towards socialization. They want to protect the Free Enterprise system by letting the interest rate rise.

Now we may as well admit that if the general rate of return on equity investment, or *ownership* of property, becomes very much higher (the element of risk being of course duly allowed for) than the general rate of return on loan investment, it will be difficult to keep the rate on loans down. But an improvement in the rate of return on an equity is accompanied by an increase in the *price* of the particular piece of equity concerned; and this increase in price automatically corrects the change in the yield rate. In a market where the gilt-edged interest rate is 3 per cent, a high-grade well secured piece of equity ownership earning four dollars a year is worth, let us say, about $100. If that same piece of ownership begins to produce five dollars a year it will no longer be traded at $100, but will go up eventually to something like $125, thus leaving the incentive to move from loan to equity investment quite unchanged. In other words, the lower the interest rate on bonds, the higher the price that can be obtained for a piece of equity ownership bringing in a certain number of dollars per annum.

My worried friends are not specially concerned about what happens to the already existing equity investments; they are worried, or say they are, about what will happen to new funds which ought, in the public interest, to be seeking equity investment but which they are afraid will be drained off into bonds by the policy of cheap money, which they think involves keeping down, by taxation, the earnings of equities. But I cannot see that this follows at all. The lower the rate of interest on bonds, the smaller is the amount of annual earnings which must be in prospect in order to attract new investment into equities. Low interest rates mean high prices on any given prospective piece of equity earnings. If the bond rate were 4 per cent it would obviously take quite a bit more than a prospect of $4 of earnings per annum to induce $100 to move into equity investment; such a prospect would hardly be worth more than $80 at the outside, whereas on a 3 per cent bond market it should be worth about $100.

Rate of Progression

It is true that there is a factor of government policy which does tend to diminish the movement of new funds towards equities and encourage their movement towards bonds, but it has nothing to do with the interest rate. The real influence in this direction, and it may have very serious effects, is the heavy rate of progression in the personal income tax. When the taxpayer's last additional increment of personal income is taxed at 70 or 80 per cent, he is deprived of all incentive to seek a high rate of return on his capital, unless that high rate is wholly unaccompanied by any risk, which is practically never the case. At a 75 per cent tax a $100 bond earning $3 brings him in 75 cents, of which he is absolutely sure; a speculative investment earning $6 will bring him in $1.50, *if it wins,* but out of 75 cents gained he will have to make provision against possible loss, which may extend not merely to the income but to the whole capital sum, and on which the government will make him no allowance whatever. Wealthy persons who are at or past middle age, or for other reasons do not desire to engage in active management of speculative enterprise are being forced by these considerations into bond investment.

Even here, on the other hand, there is an influence working in the other direction. Wealthy persons who are still in the managerial class and whose incomes are in the top brackets can invest very largely in speculative equities and, if they can associate them closely with their income-producing businesses, they can cover the losses if any out of their taxable profits, thus throwing a large part of the burden on the government, while if they win they can abstain from collecting the winnings as dividends and cash them later on as capital gains, which are not taxable, by selling out their holdings at the increased value resulting from the ploughed-in profits. Some of the more extreme forms of this amusement have been blocked by the taxing authorities, but there are still many good possibilities left.

There is a certain ruthlessness about the arguments of my high-interest-rate friends which I must admit repels me slightly. The nation has just got through selling several billion dollars of its bonds to individuals who were urged to buy them from patriotic motives at the 3 per cent yield. The high-interest-rate proposal involves keeping these unfortunates down to their three dollars per annum for the whole lifetime of the bonds, if they hold them throughout, and putting down the market price of the same bonds if they want to sell them, while the less patriotic individuals who abstained from buying bonds and now have loose cash in the banks are to be offered a substantially higher rate of return, towards the payment of which the patriots will have to contribute in their capacity as taxpayers. This is what happened at the close of the last war, and I am unable to see that the economic benefits resulting from it were such that we need commit an injustice in order to repeat them at the close of this one.

An "Unnatural" Rate?

I am not convinced either by the allegations of my friends that the present interest rate is "unnatural" and is kept down by the influence of tax policies and central bank policies. I admit that if it showed signs of a serious rise it would probably be sat upon by government authorities by whatever means they could bring to bear, but that does not prove that it is being very heavily sat upon at the present moment. The truth seems to be that there has been an enormous increase in the total body of savings available for such investment, as a result of changes in the social structure, working generally in the direction of a more even distribution of the national income, and also as a result of a prolonged wartime period of almost universal employment. This total body of savings would unquestionably be greatly cut down by a similarly prolonged period of underemployment, which would bring about the de-saving of a large part of it. This might throw on the market such quantities of bonds that the government could not maintain their price, and my high-interest friends would thus get their way. But they have not yet begun to advocate unemployment as a means to high interest rates, and I don't advise them to begin.

PINEAPPLE GUAVA

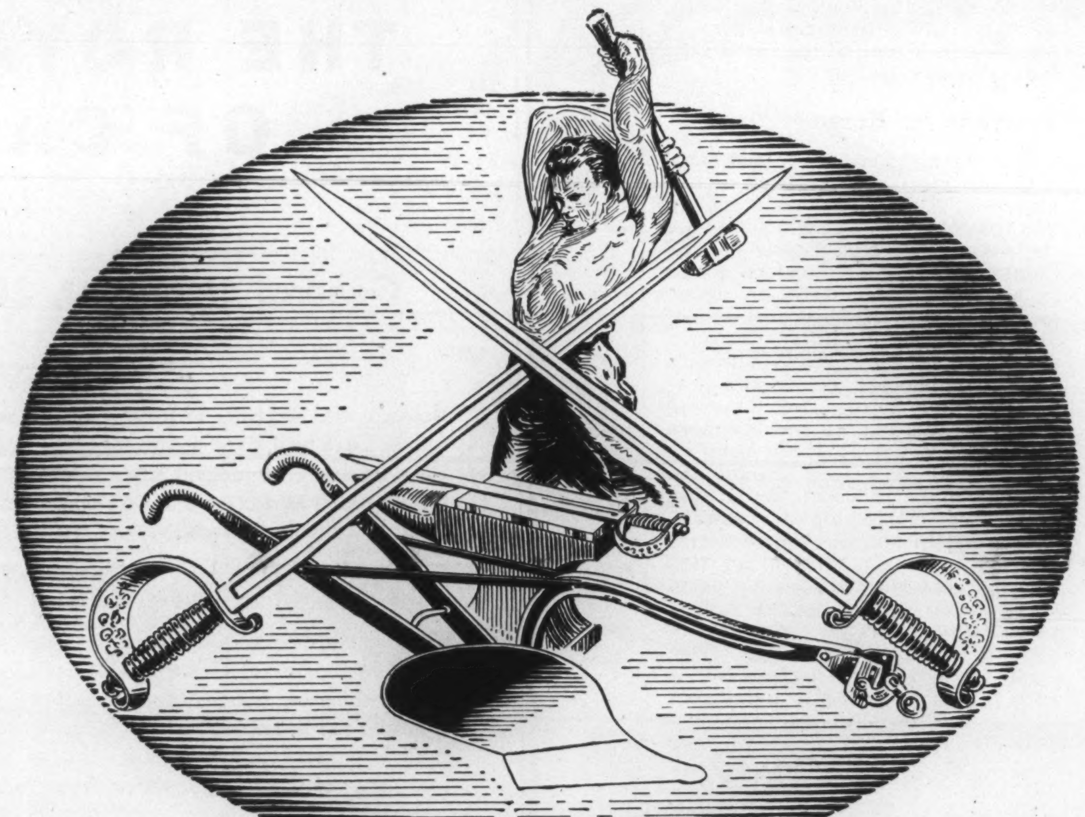
Produces Rich Luscious Fruit on Dwarf Plants

This rich tropical fruit is produced on plants that are highly ornamental too. A fascinating and novel houseplant with its glossy green and silvery-gray foliage. Flowers as large as 1½ inches across, white to purplish crimson with crimson stamens; followed by delicious aromatic fruit about 1½ to 2 inches long. Flesh is translucent white of pronounced pineapple flavour and seeds so small as to be unnoticeable. May be used raw, cooked, or in jams and jellies. A bowl of fruit will fill a room with delightful fragrance. Easily grown from seed. Full directions supplied.

(Pkt 25¢) (3 pkts 50¢) postpaid.

***FREE*—OUR BIG 1946 SEED AND NURSERY BOOK—Leads Again** 91W

DOMINION SEED HOUSE - GEORGETOWN, ONT.



Tomorrow's Future is being made Today

War-experience will bring many new products . . . better ways of making things . . . for better living. ● Out of active-war years came Clothes from Milk (aralac) . . . Penicillin (the powder of life), Streptomycin . . . Synthetic Rubber . . . Radar . . . Atomic Energy . . . and numerous other products . . . all fundamentals of mutual interest to every Canadian. Such commodities lead to better Homes and Families . . . Schools . . . Churches . . . Hospitals and Industrial Organizations. ● We in Canada are on the Dawn of a New Day . . . it's up to every Canadian to meet the challenge of Transition-to-Peace . . . let's all pull together to Build . . . Expand and Improve for nowhere has business so many possibilities or the future so many rewards as in Canada.

Silverwood's dairy products

PLANTS AT: London - Toronto - Hamilton - Windsor - Kitchener - St. Catharines - Peterborough - Brantford - Chatham - Stratford - Sarnia - Guelph Woodstock - Elmira - Lucknow - North Bay - Sudbury - Cayuga - Cargill - Lindsay - and Winnipeg - Regina - Saskatoon - Edmonton.

THE OTTAWA LETTER

Important International Meetings and Domestic Issues in 1946

By WILFRID EGGLESTON

IF IT is the habit of Mr. Mackenzie King, or other members of the Dominion Government, to sit down at the beginning of the year and contemplate the important coming events of the next twelve months, domestic and international, they must have been impressed on New Year's Day with the momentous agenda already in sight for 1946. It will be very difficult to find in all history a year more teeming with outstanding dates than the year just past, and so 1946 might have been expected to come along as something of an anticlimax. But even the most cursory enumeration of pending events suggests another tolerably busy year for all concerned.

In the international sphere, the first prominent item is in the initial meeting of the general assembly of the United Nations Organization which opens in London next week. Two members of the cabinet are on the high seas en route to it; another is in London. A fourth minister (Hon. James MacKinnon) will be in London about that time on other matters.

Peace Conference

It begins to seem highly probable that the peace conference or conferences will be held (or at least be begun) in 1946. At one time there was a suggestion that a formal peace conference in the 1919 sense might never be held at all. From the hints which came out of the recent Moscow meeting, however, it would appear that a decision has been reached on calling a conference, and that the basic decision about representation has been made. Authorities here say that place and date are not yet settled, but that they will be fixed soon by consultation between the governments concerned.

For a country whose economy is so intimately geared with international trade as is Canada's, no event of its kind can be fraught with much more significance than the proposed International Conference on Trade and Employment, to be held, it is expected, "not later than the summer of 1946."

It will be recalled that the proposals for such a conference—aimed at restoring a much freer trading world on a multilateral basis after the war—were first advanced by the United States in November, 1945. The idea itself stems from a consideration of the United Nations Organization and the special bodies which have already been created under its aegis to deal with emergency relief, with currency, with international investment, with civil aviation, with labor, and with food and agriculture.

The aim is, in the end, to create a permanent International Trade Organization, dedicated to the encouragement of world trade. An interim step would be the calling of an International Conference on Trade and Employment.

The U.S. State Department, in taking the responsibility for calling such a Conference, stressed the value of adequate preparation in advance. That in turn led to an invitation to what they called, I believe, a preliminary gathering of fourteen "nuclear" countries, of which Canada was one. The invitation was issued in December, and on the 17th of that month Canada announced its acceptance, being the first country to do so. Premier Mackenzie King, when telling the House of Commons about it, said it would probably be held in the spring. No more precise details of place and time have yet been released.

Canada's Big Stake

Even a casual glance at the published proposals for the forthcoming International Conference on Trade and Employment demonstrates that Canada will have a big stake in its success. If pious hopes are translated into quick and effective action, it will transform the whole economic climate in which Canada has been operating since the last war.

The U.S. sentiment which underlies the State Department's proposals is a welcome change from the Fordney - McCumber, Hawley-Smoot philosophies:

"World trade is not only the device through which useful goods produced in one country are made available to consumers in another; it is also the means through which the needs of people in one country are translated into orders and therefore into jobs in another. Trade connects employment, production and consumption, and facilitates all three. Its increase means more jobs, more wealth produced, more goods to be enjoyed.

"Countries should therefore join in an effort to release trade from the various restrictions which have kept it small. If they succeed in this they will have made a major contribution to the welfare of their peoples and to the success of their common efforts in other fields."(page 2 of Analysis of U.S. Proposals).

In the domestic field, the year 1946 is likely to see agreement between Dominion and provinces on some formula for the reallocation of taxing authority. It will not be easy to come to terms satisfactory to both sides, but the deadline is drawing nearer and all parties will be subject to pressures which will tend to make an early settlement desirable. Canadian industry is particularly anxious to hear of a tax agreement being reached between Dominion and provinces, for until then it is almost impossible to guess who the taxing authorities will be nor the total incidence of taxation upon business. The Dominion Government is keen to have the fiscal side of its post-war problem clarified. As for the provinces, their present tax agreements expire at the end of 1946, their revenues from such a source come to an end, and in the absence of a new agreement, they must begin at once to prepare the tax machinery and the legislation for a re-occupation cf their old tax fields (not quite their old fields, for Mr. Ilsley has squatted square across many of them with his high war levies). The current taste of seasonal unemployment, the threat of a return to the old days when the burden of relief was primarily a municipal and provincial responsibility, are also factors tending to speed up some kind of settlement with the Dominion on this outstanding matter.

Rehabilitation Test

The coming year will provide the first major test for the Dominion Government's programs for rehabilitation and employment. Some seasonal and frictional unemployment during a period of such rapid change-over of the economy from war to peace was generally anticipated, but by midsummer of 1946 the general public will expect the government "magic" as outlined in the White Paper on Employment and Income to be working properly, and if there are not by then jobs for practically everybody who wants one the chorus of criticism will begin to take on depth and range.

These are sobering items on the 1946 program. In the political sphere Canadians are in for a quiet year, unless the Mackenzie King government should be defeated on a want-of-confidence motion, which doesn't seem likely at this date. There are no provincial general elections imminent, unless something goes wrong in the bailiwick of Monsieur Duplessis. Indeed, in the absence of some unexpected flare-up there will be no general elections in either Dominion or provinces for several years.

Blast walls that protected the Wellington Monument, as well as many other famous monuments in St. Paul's Cathedral, are now being removed.

THE INN AT PONTE VEDRA BEACH
FLORIDA
Club plan. Open all year. Golf. all sports. Attractive cottages. Call or write LOUISE GIRVAN, Canadian Representative. 67 Yonge St., Toronto, or write direct.

Mido
WINDS AS YOU GO*
When skiing, wear a Mido—the 100% waterproof watch that winds itself.* Shock-resistant, anti-magnetic, 17 jeweled. Sold and serviced in 65 countries Supply limited. Worth waiting for.
Mido
MULTIFORT SUPER-AUTOMATIC
Write for Illustrated Booklet S16
MIDO WATCH
410 St. Peter Street
MONTREAL, Que.

• •

Hand - Controlled German Torpedo

By GORDON HOLMAN

The Germans had nearly perfected several new torpedoes whose exact course would have been controlled from firing point until they actually struck home. Tests are now being followed through by British experts.

A NEW type of torpedo which would have been guided to its target by a thread of steel wire is being demonstrated to British experts by German naval scientists.

These torpedoes, which were not used during the war, were in the last stages of testing at the German navy's scientific station at Eckernforde, on Kiel Bay, when Germany surrendered.

In the various stores at Eckernforde, some hidden in the woods, we found 6,000 torpedoes, I am told. They were all available for the team of scientists working there and many of the torpedoes incorporated novel ideas.

British experts, who have been working at Eckernforde for several months, have divided the torpedoes into three general classes: (1) Those controlled by a thin wire carrying an electric impulse; (2) those controlled by radar, and (3) acoustic torpedoes.

The German scientists who have worked willingly with our experts, demonstrate the weapons in the narrow inlet at Eckernforde under British supervision. Tests are carried out at night, the target being towed by a German E boat. The wire of the torpedo which remains linked to its firing point until it hits its target, is carried in the torpedo itself. The control of the torpedo is centred in a small dial, about the size of a tea saucer.

There can be little doubt that the Germans were within a few weeks of perfecting one of the most remarkable weapons ever used at sea.

With their new types of torpedoes, U-boat captains would have retained thumb and finger control of each torpedo until it actually struck home. Not only is it possible to change the course of the torpedo to port or starboard, but from the tiny control panel the torpedo can be brought to the surface or made to dive.

At night the U-boat commander would have been able to follow the course of the torpedo by a tiny light in the tail which would have been invisible to anyone in a ship ahead. The Germans had also developed a trackless torpedo.

In the testing station at Eckernforde the course of the torpedoes fired can be followed on a large screen. The way in which the weapons follow and ultimately catch up with their targets is said to be "uncanny."

For Richer, Heartier Flavor
C&B SAUCE
On Meats • Fish • Game
In Soups • Gravies • Stews
Made by
CROSSE & BLACKWELL
Fine Foods Since 1706

What Gift More Charming than A Basket of Spring Flowers?
Leading florists sell spring flowers grown at the home of the famous DALE Autographed ROSES.
Dale Estate Limited
BRAMPTON, ONT. - MONTREAL, QUE.

FINE FLOWERS SINCE 1894
SIMMONS
AND SON LIMITED
ERNEST S. SIMMONS, President and Managing Director
350 YONGE STREET AT ELM
ELGIN - 9286 - 9287 - 9288
DISTRIBUTORS FOR DALE AUTOGRAPHED ROSES

FROM THE EDITOR'S CHAIR

Are Low Interest Rates a Way of Bringing About Socialism?

By B. K. SANDWELL

SOME of my friends who are worried about the insidious encroachments of Socialism in Canada maintain that the policy of cheap money now being pursued by the Finance Department and its big brother the Bank of Canada is itself a means, and some of them say a deliberately chosen means, towards socialization. They want to protect the Free Enterprise system by letting the interest rate rise.

Now we may as well admit that if the general rate of return on equity investment, or *ownership* of property, becomes very much higher (the element of risk being of course duly allowed for) than the general rate of return on loan investment, it will be difficult to keep the rate on loans down. But an improvement in the rate of return on an equity is accompanied by an increase in the *price* of the particular piece of equity concerned; and this increase in price automatically corrects the change in the yield rate. In a market where the gilt-edged interest rate is 3 per cent, a high-grade well secured piece of equity ownership earning four dollars a year is worth, let us say, about $100. If that same piece of ownership begins to produce five dollars a year it will no longer be traded at $100, but will go up eventually to something like $125, thus leaving the incentive to move from loan to equity investment quite unchanged. In other words, the lower the interest rate on bonds, the higher the price that can be obtained for a piece of equity ownership bringing in a certain number of dollars per annum.

My worried friends are not specially concerned about what happens to the already existing equity investments; they are worried, or say they are, about what will happen to new funds which ought, in the public interest, to be seeking equity investment but which they are afraid will be drained off into bonds by the policy of cheap money, which they think involves keeping down, by taxation, the earnings of equities. But I cannot see that this follows at all. The lower the rate of interest on bonds, the smaller is the amount of annual earnings which must be in prospect in order to attract new investment into equities. Low interest rates mean high prices on any given prospective piece of equity earnings. If the bond rate were 4 per cent it would obviously take quite a bit more than a prospect of $4 of earnings per annum to induce $100 to move into equity investment; such a prospect would hardly be worth more than $80 at the outside, whereas on a 3 per cent bond market it should be worth about $100.

Rate of Progression

It is true that there is a factor of government policy which does tend to diminish the movement of new funds towards equities and encourage their movement towards bonds, but it has nothing to do with the interest rate. The real influence in this direction, and it may have very serious effects, is the heavy rate of progression in the personal income tax. When the taxpayer's last additional increment of personal income is taxed at 70 or 80 per cent, he is deprived of all incentive to seek a high rate of return on his capital, unless that high rate is wholly unaccompanied by any risk, which is practically never the case. At a 75 per cent tax a $100 bond earning $3 brings him in 75 cents, of which he is absolutely sure; a speculative investment earning $6 will bring him in $1.50, *if it wins*, but out of 75 cents gained he will have to make provision against possible loss, which may extend not merely to the income but to the whole capital sum, and on which the government will make him no allowance whatever. Wealthy persons who are at or past middle age, or for other reasons do not desire to engage in active management of speculative enterprise are being forced by these considerations into bond investment.

Even here, on the other hand, there is an influence working in the other direction. Wealthy persons who are still in the managerial class and whose incomes are in the top brackets can invest very largely in speculative equities and, if they can associate them closely with their income-producing businesses, they can cover the losses if any out of their taxable profits, thus throwing a large part of the burden on the government, while if they win they can abstain from collecting the winnings as dividends and cash them later on as capital gains, which are not taxable, by selling out their holdings at the increased value resulting from the ploughed-in profits. Some of the more extreme forms of this amusement have been blocked by the taxing authorities, but there are still many good possibilities left.

There is a certain ruthlessness about the arguments of my high-interest-rate friends which I must admit repels me slightly. The nation has just got through selling several billion dollars of its bonds to individuals who were urged to buy them from patriotic motives at the 3 per cent yield. The high-interest-rate proposal involves keeping these unfortunates down to their three dollars per annum for the whole lifetime of the bonds, if they hold them throughout, and putting down the market price of the same bonds if they want to sell them, while the less patriotic individuals who abstained from buying bonds and now have loose cash in the banks are to be offered a substantially higher rate of return, towards the payment of which the patriots will have to contribute in their capacity as taxpayers. This is what happened at the close of the last war, and I am unable to see that the economic benefits resulting from it were such that we need commit an injustice in order to repeat them at the close of this one.

An "Unnatural" Rate?

I am not convinced either by the allegations of my friends that the present interest rate is "unnatural" and is kept down by the influence of tax policies and central bank policies. I admit that if it showed signs of a serious rise it would probably be sat upon by government authorities by whatever means they could bring to bear, but that does not prove that it is being very heavily sat upon at the present moment. The truth seems to be that there has been an enormous increase in the total body of savings available for such investment, as a result of changes in the social structure, working generally in the direction of a more even distribution of the national income, and also as a result of a prolonged wartime period of almost universal employment. This total body of savings would unquestionably be greatly cut down by a similarly prolonged period of underemployment, which would bring about the de-saving of a large part of it. This might throw on the market such quantities of bonds that the government could not maintain their price, and my high-interest friends would thus get their way. But they have not yet begun to advocate unemployment as a means to high interest rates, and I don't advise them to begin.

PINEAPPLE GUAVA

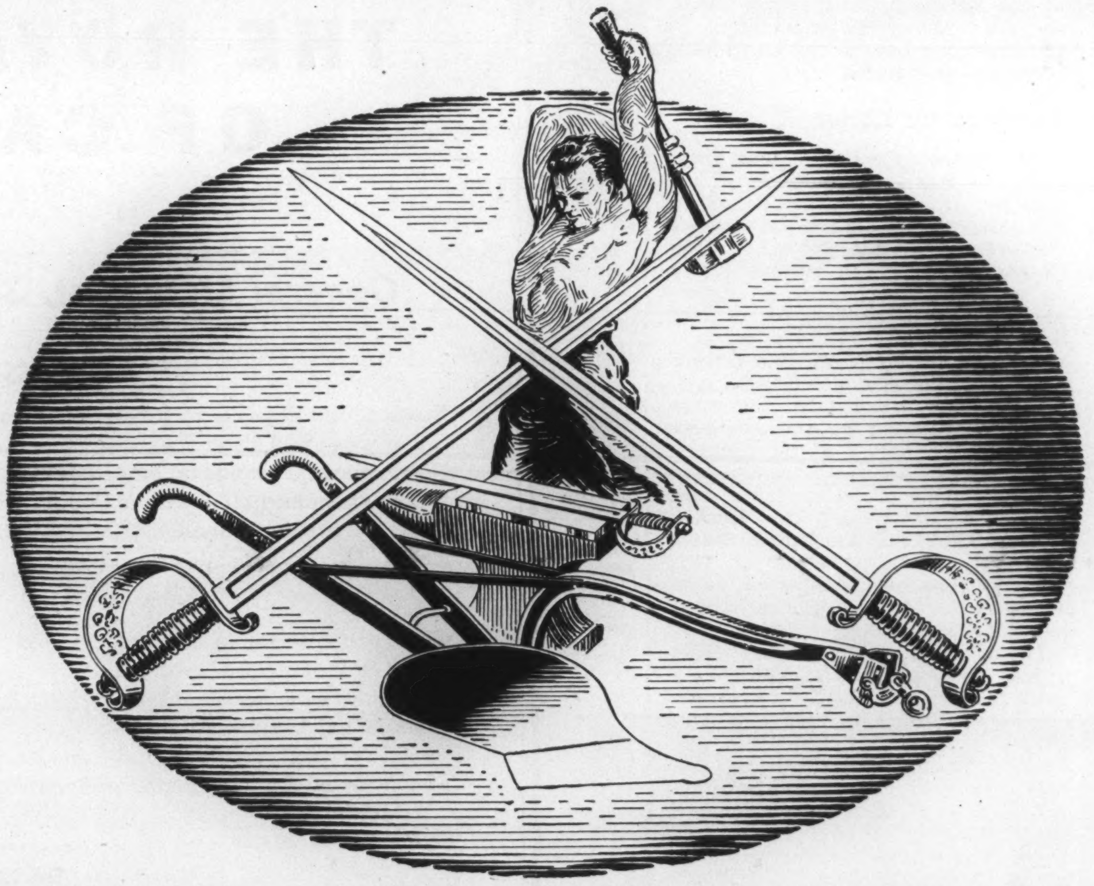
Produces Rich Luscious Fruit on Dwarf Plants

This rich tropical fruit is produced on plants that are highly ornamental too. A fascinating and novel houseplant with its glossy green and silvery-gray foliage. Flowers as large as 1½ inches across, white to purplish crimson with crimson stamens; followed by delicious aromatic fruit about 1½ to 2 inches long. Flesh is translucent white of pronounced pineapple flavour and seeds so small as to be unnoticeable. May be used raw, cooked, or in jams and jellies. A bowl of fruit will fill a room with delightful fragrance. Easily grown from seed. Full directions supplied.

(Pkt 25¢) (3 pkts 50¢) postpaid.

FREE—OUR BIG 1946 SEED AND NURSERY BOOK—Leads Again 91W

DOMINION SEED HOUSE - GEORGETOWN, ONT.



Tomorrow's Future is being made Today

War-experience will bring many new products . . . better ways of making things . . . for better living. ● Out of active-war years came Clothes from Milk (aralac) . . . Penicillin (the powder of life), Streptomycin . . . Synthetic Rubber . . . Radar . . . Atomic Energy . . . and numerous other products . . . all fundamentals of mutual interest to every Canadian. Such commodities lead to better Homes and Families . . . Schools . . . Churches . . . Hospitals and Industrial Organizations. ● We in Canada are on the Dawn of a New Day . . . it's up to every Canadian to meet the challenge of Transition-to-Peace . . . let's all pull together to Build . . . Expand and Improve for nowhere has business so many possibilities or the future so many rewards as in Canada.

Silverwood's dairy products

PLANTS AT: London - Toronto - Hamilton - Windsor - Kitchener - St. Catharines - Peterborough - Brantford - Chatham - Stratford - Sarnia - Guelph Woodstock - Elmira - Lucknow - North Bay - Sudbury - Cayuga - Cargill - Lindsay - and Winnipeg - Regina - Saskatoon - Edmonton.

THE WORLD TODAY

Big 3 Back to Working Agreement In Moscow Conference Decisions

By WILLSON WOODSIDE

THE best thing about the Moscow communique was that it showed the Big Three had resumed serious work on the mountain of problems with which they have to deal, to clear up the debris of the war. They didn't achieve much more than they should have done at London, and hence are still behind schedule. But the contrast with that abortive effort was a happy one.

There appears to have been a certain amount of give-and-take on both sides, and if the Soviet concessions were almost wholly to the Americans, one can be confident that Bevin and Byrnes will be alert to any attempt to split them when matters of more immediate concern to Britain come up at the next conference. Middle Eastern questions, discussed at length at Moscow but undecided, seem bound to dominate the next meeting.

Britain and America gave way almost completely to the Soviet point of view on Balkan questions, first in returning to exclusive Big Three discussion of the problem and in going to Moscow for this as Molotov had urged at London; second in accepting a purely face-saving "broadening" of the Rumanian and Bulgarian Governments by the admission of only two members of the democratic opposition; and third by consenting to the writing of the peace treaties with these countries and Hungary by the Big Three alone, excluding France. The latter is, however, to be admitted to the framing of the Italian treaty.

The Soviets, on their part, made concessions to the American point of view in the arrangements for control of Japan; for the re-uniting of Korea, partitioned tightly since the Jap defeat; and for the support of Chiang Kai-shek's National Government as the sole authority in China and Manchuria.

The detailed code drawn up for the control of Japan obviously represents the major work of the conference. Briefly this provides for a Far Eastern Commission, sitting in Washington, and composed of the United States, Britain, Russia and China, as well as France, the Netherlands, Australia, New Zealand, India, the Philippines and Canada.

Control of Japan

This commission will both formulate and review major policy decisions on Japan, decisions which will then be transmitted by the U.S. Government to General MacArthur. Thus "the existing control machinery and chain of command from the United States Government to the Supreme Commander of occupation forces" is to be "respected." The veto power of the four main members is preserved in the condition which requires majority decisions including the concurrence of the American, British, Chinese and Russian members.

In Tokyo a smaller Allied Council will sit, composed of members representing Russia, China, the United States and a joint representative for Britain, Australia, New Zealand and India, with U.S. representative (the supreme commander or his deputy) acting as chairman. The strong convictions of General MacArthur and of most of the authorities in Washington that (1) Japan is primarily an American concern because the United States did three-quarters or more of the job of defeating her and (2) that the control and reform of Japan have proceeded far more smoothly than that of Germany because the single, clear authority in Tokyo have also been "respected."

"Action will be carried out in all cases under and through the Supreme Commander . . whose decisions shall be controlling." The Supreme Commander may go so far as to change ministers on his own authority, but may not change the whole government or make fundamental changes in the Japanese constitution without referring these questions back to the Far Eastern Commission.

A good beginning was also made on the Korean question, which has received little attention in the Canadian press but has been causing deep concern in the States. Apparently no arrangement whatever had been made with the Russians on the occupation and control of Korea when the Japanese collapse came, and an overnight compromise was reached whereby the Americans would occupy the country south of the 38th Parallel and the Soviets north of that line.

The partition has become absolutely rigid, with far less intercourse across the demarcation line than even in Germany, and almost no information of what was going on "north of 38". Here, as it happened, was concentrated most of Korean industry and all of the coal, and most of the Korean railway rolling stock, so that railway communications in the American zone to the south have been almost crippled.

Tutelage for Korea

The Moscow Conference has made a serious start on a solution of this impasse. With the Soviets accepting the decision of the Cairo Conference (between Churchill, Roosevelt and Chiang Kai-shek) to restore Korea as an independent state, an agreement has been reached for a joint Soviet - American military commission to be set up at once, to form a provisional Korean democratic government and arrange for the economic coordination of the northern and southern halves of the country.

The Soviet-American commission will also make proposals for a joint four-power trusteeship by Russia, China, Britain and the United States in Korea for a period up to five years. There is no suggestion as to when Soviet and American troops might be withdrawn.

Their early withdrawal from China and Manchuria is, however, a main point in the Moscow agreement on that subject. This big and dangerous topic was not treated at any length in the communiqué, which only reported "several conversations" between Byrnes and Molotov. In these they had agreed on "the need for unified and democratic China under the National Government, for broad participation by democratic elements in all branches of the National Government, and for a cessation of civil strife."

They "reaffirmed their adherence to the policy of non-interference in the internal affairs of China . . . and were in complete accord as to the desirability of the withdrawal of Soviet and American forces from China at the earliest practicable moment consistent with the discharge of their obligations and responsibilities."

This is all broad generality, but it is a fairly ticklish matter laying down definite points for the reform and conduct of a government which is supposed to be a fellow-member of the Big Five—which, incidentally, is a fading conception. Facts tend to prevail, and there are only three really "big" powers left in the world.

Our public has been most interested in the Moscow statement on atomic controls. Here the Soviets have accepted the general outline of the program laid down by Truman, Attlee and King in Washington six weeks ago. The communiqué in fact adopts word for word the four main steps laid down in the Washington statement, and confirms the provision that these should be taken one at a time, each one being completed before the next is begun, "in order to develop the necessary confidence."

A United Nations Commission responsible to the Security Council (which brings it under Big Three veto power) is to make proposals for (1) extending between all nations the exchange of basic scientific information for peaceful ends, (2) for *control of atomic energy to the extent necessary to ensure its use only for peaceful purposes,* (3) for *the elimination from national armaments of atomic weapons* and of all other major weapons adaptable to mass destruction, and (4) for *effective safeguards by way of inspection* and other means to protect complying states against the hazards of violations and evasions.

Accept Atom Inspection

Most interesting here is Soviet acceptance of the principle of international inspection, provided for in the fourth step. And this, the democratic leaders stipulated in Washington, is to be established before the United States, Britain and Canada are committed to begin the exchange of "the actual details of practical industrial application of atomic energy"—which is the real secret they possess today.

The reader may have missed, during the Christmas festivities, the report of the angry row between Mr. Byrnes and the Senate Foreign Relations Committee, on the eve of the Secretary's departure for Moscow. He had called in the powerful Senate Committee, which is smarting under the decrease of its influence on State Department policy since Byrnes took over from Stettinius, to inform them of his intention to lift just a corner of the veil on U.S. atomic secrets at Moscow, to "win Soviet confidence." This they bitterly opposed, citing the provision for the previous establishment of international inspection.

It is a little like small boys carrying out a swap, both taking a firm hold on the objects involved and saying "you let go first." Only in this case it is so deadly serious.

Considering this, and also recalling our experience in seeking a mutual exchange of arms information with the Soviets even under the pressure of war, it would be well to consider the Moscow agreement on atomic controls as only the barest beginning. We have still a long way to go before either the Soviet Government or the United States Congress will permit U.N.O. inspectors to roam about their most secret arsenals. And there cannot be atomic security until that is achieved. No mere promise or signature of yet another "covenant" will be enough.

OCEANIC HOTEL
JACKSONVILLE BEACH,
FLORIDA, U.S.A.
Ocean front — American Plan
$25.00 up per week
per person—double
Baths — Heated Rooms

THE ROYAL BANK OF CANADA

General Statement, 30th November, 1945

ASSETS

Notes of and deposits with Bank of Canada	$ 154,458,345.62
Other Cash and Bank Balances	166,690,950.57
Notes of and Cheques on other Banks	97,040,916.90
Government and other Public Securities	1,001,072,550.27
Other Stocks and Bonds	32,767,405.11
Call and Short Loans fully secured	106,446,918.06
	$1,558,477,086.53
Commercial Loans in Canada	284,038,691.85
Loans to Provincial Governments	5,070,535.17
Loans to Cities, Towns, Municipalities and School Districts	4,459,634.54
Commercial Loans—Foreign	88,441,196.18
Bank Premises	10,848,254.92
Liabilities of Customers under Acceptances and Letters of Credit	49,482,848.75
Other Assets	6,728,730.92
Total Assets	$2,007,546,978.86

LIABILITIES

Notes in Circulation	$ 7,007,429.94
Deposits	1,888,757,074.14
Acceptances and Letters of Credit Outstanding	49,482,848.75
Other Liabilities	1,480,446.73
Capital	35,000,000.00
Reserve Fund	20,000,000.00
Dividends due Shareholders	572,660.73
Balance of Profit as per Profit and Loss Account	5,246,518.57
Total Liabilities	$2,007,546,978.86

PROFIT AND LOSS ACCOUNT

Profits for the year ended November 30, 1945, before Dominion Government taxes, but after contributions to Staff Pension Fund, and after appropriations to Contingency Reserves, out of which Reserves provision for all bad and doubtful debts has been made		$6,003,142.89
Less provision for Dominion Government taxes		2,175,000.00
		$3,828,142.89
Less appropriation for Bank Premises		729,295.88
		$3,098,847.01
Dividends: No. 230 at 6% per annum	$525,000.00	
No. 231 at 6% per annum	525,000.00	
No. 232 at 6% per annum	525,000.00	
No. 233 at 6% per annum	525,000.00	
		2,100,000.00
Amount carried forward		$ 998,847.01
Balance Profit and Loss Account, November 30, 1944		4,247,671.56
Balance Profit and Loss Account, November 30, 1945		$5,246,518.57

MORRIS W. WILSON
President

SYDNEY G. DOBSON
Executive Vice-President

JAMES MUIR
General Manager

THE BOOKSHELF

CONDUCTED BY J. E. MIDDLETON

New Collection of Modern Poems A Re-Statement of Theology

TWENTIETH CENTURY VERSE, an Anthology, chosen by Ira Dilworth. (Oxford, $3.00.)

A BITTER time, the last forty years or so. As an English friend writes, "Two world wars in one lifetime are more than enough." And he might have said "in a millenium" and still have been true in thought and speech. War exalts action and stifles reflection, and since reflection is the mother of culture and high living we have seen a generation that, at first glance, we might write off as total loss.

Perhaps Poetry has been the saving grace. Both in England and on this Continent a literature of protest arose setting against the ineffable beauty of earth and sea and sky the ugliness of human injustice, greed, hate and death. Old certainties of belief and of technique were set aside as unsuited to the new themes. Experiments in rhythms and patterns were made, not always happy in their effect. For a time some hysterical obscure prose masqueraded as poetry.

But much of real beauty came out of this literary revolution, and here in some 400 pages outstanding poems are assembled. The editor of any anthology is a daring soul. He knows that his choice will be criticized and has the courage to carry-on. Mr. Dilworth goes farther. He writes an Introduction assembling the expected criticisms, and wisely enough does not answer them fully. The selection depends on the taste and fancy of the anthologist.

Eighty-four poets are represented here. The Canadians include Scott, Lampman, Carman, Roberts, Pickthall, Macdonald, and the contemporary group of Birney, Audrey Alexandra Brown, Gustafson, Dorothy Livesay, MacKay, Pratt, Anne Marriott and A. J. M. Smith. A rich collection.

•

Splitting the Atom

ATOMIC ENERGY IN WAR AND PEACE, by Gessner G. Hawley and Seigmund W. Leifson. (Reinhold, N.Y. $2.00 U.S.)

IN FEWER than one hundred pages this book reviews the physics of the ultra-invisible universe composed of protons, electrons and neutrons, explains the reduction from theory to practice of nuclear fission and gives some light on the problems that found ultimate solution in the atomic bomb. The authors keep their feet on the ground in considering the peace-time application of the new power and doubt the sudden revolution in method which dreamers have visualized.

•

God and Mankind

SEE THE CHRIST STAND, by Randolph Carleton Chalmers. (Ryerson, $3.00.)

READERS of "solid" books in these times have a deep respect for Science, a lively interest in Psychology, Economics, and Sociology. At times they will even tolerate Philosophy. But Theology stumps them. In our day the "Queen of the Sciences" is a neglected Cinderella. Doubtless many men of considerable intellectual vigor think of her as a pretender to the throne, even as Astrology and Phrenology which had their day and ceased to be.

Doubtless also the inductive process of reasoning, from effects to causes, has become such a settled habit that the deductive process is not easy. Science can suspect the existence of a First Cause, but cannot prove the suspicion. Theology postulates a First Cause, a transcendent intellect, a boundless love in all space and time, and traces the effects in the spirit of man.

ORDER YOUR BOOKS
FROM
BURNILL'S
BOOKSHOP
100 Yonge Street, Toronto 1
MAIL ORDERS POSTPAID

It's a noble, a lofty pursuit, in a generally unfavorable intellectual climate, for it is not unfair to say that in our chaotic times the "wise" man has said in his heart there is no God. An ancient psalmist had a different view of wisdom.

This book, by a Doctor of Theology, examines in detail the doctrinal standards of the three Protestant Communions which became the United Church of Canada, shows how the early rigidities of Calvinism were modified in Presbyterianism and Congregationalism long before Union, and how the Anglican Thirty-Nine Articles were amended by Wesley to make sure that the State was not in a dominant position over the Church.

The second part of the book deals with current theological thought, the weaknesses of liberalism and idealism as shown in their derivatives, humanism and behaviorism, the spiritual anaemia of the times, even in the churches, and the need for conviction and certainty as a religious dynamic.

This is no bloodless piece of "devotional reading" disseminating sweetness and light. It is rather a call for Christians to examine the nature of their Christianity and discover why, too often, it doesn't work.

•

Three Novels

"MY FELICIA," by Paul Driscoll. (Macmillans, $2.75)

"BOTH SIDES OF THE BLANKET," by Halcott Glover. (Macmillans, $2.75)

"THE PEACOCK SHEDS HIS TAIL," by Alice Tisdale Hobart. (McClelland and Stewart, $3.25)

By W. S. MILNE

"MY Felicia" is one more telling of the Cinderella story, in which a Polish mill-hand marries the son of the chief mill-owner and banker in a small New England town. At first she refuses him, but the stock-market crash of '29 brings them together. While the plot would not get high marks for originality, the story is well told, with interesting and sympathetic characterizations, and a pleasant sense of reality in the dialogue. One paragraph I cannot resist quoting, for professional reasons:

"Half the kids in high school can't even read . . . You don't get time to teach them to read. Or anything. Not in a high school, not these days. You take attendance and collect money and sponsor clubs and make out reports and figure out marks and record them six or eight times and draw graphs and chaperone the Junior Prom and patrol the grounds and police the lunchroom and coach the ping-pong team and collect money and make out reports and copy marks and take attendance, but teach? Nope."

This Driscoll really does know something about Life!

"Both Sides of the Blanket" is a brilliantly done period piece, about a rising Victorian philosopher and literary figure and his marriage of convenience, followed at a reasonably discreet interval by a literary *liason* in which he abandons his wife and goes to live with the assistant editor of a critical review, in order to inspire her to write great novels. When one notes that the "hero" is called George Henry Downland, and his mistress's novels appear over the pen name of George Villiers, it is not hard to let one's mind jump to George Henry Lewes and George Eliot. The George Downland of the story is presented in such a stiff, unsympathetic light, and his literary partner is kept so much in the background, that it becomes difficult for the reader really to believe in the greatness of these novels of theirs. The centre of the stage is filled by the deserted wife. Nevertheless, Mr. Glover has given us a rich and fascinating picture of a side of Victorian thought and manners that is generally ignored. There are other literary characters in the story that invite guesses as to their actual counterparts. Old Julian Field suggests Leigh Hunt, for instance.

"The Peacock Sheds His Tail," by the author of "Oil for the Lamps of China," is a serious and rather dull novel of Mexico in the decade or so preceding 1939. The chief characters are a family of wealthy landowners, of pure Spanish descent, and a Liberal young American diplomat, who marries the granddaughter of the house. The title is derived from a Mexican revolutionary song, in which the peacock is the symbol of the privileged few, exploiters of the Indians, and opposed to all attempts to spread education and decent living. The struggle of these reactionaries to prevent agrarian reforms, and the stupid and grasping policies of the American and British oil interests, make Mexico a ready soil for Fascist and Falangist cultivation. The novel is conscientiously constructed to give a panorama of Mexican life, but its characters seem to me to be much more personifications of points of view than real people. Jim's melodramatic death strikes a false note in the closing pages.

•

Beating the Game

WITH THE WEST IN HER EYES, by Kathleen Strange. (Macmillans, $1.00.)

THIS story of a British bride suddenly set down on a prairie farm with everything to learn won a Governor General's prize in 1937. It has been long out of print, and this new paper-covered edition certainly merits the widest distribution. It is realistic and accurate and told with a high sense of humor.

•

The Young Citizen

HOW A BABY GROWS, by Arnold Gesell, Ph.D., M.D. (Musson, $2.50.)

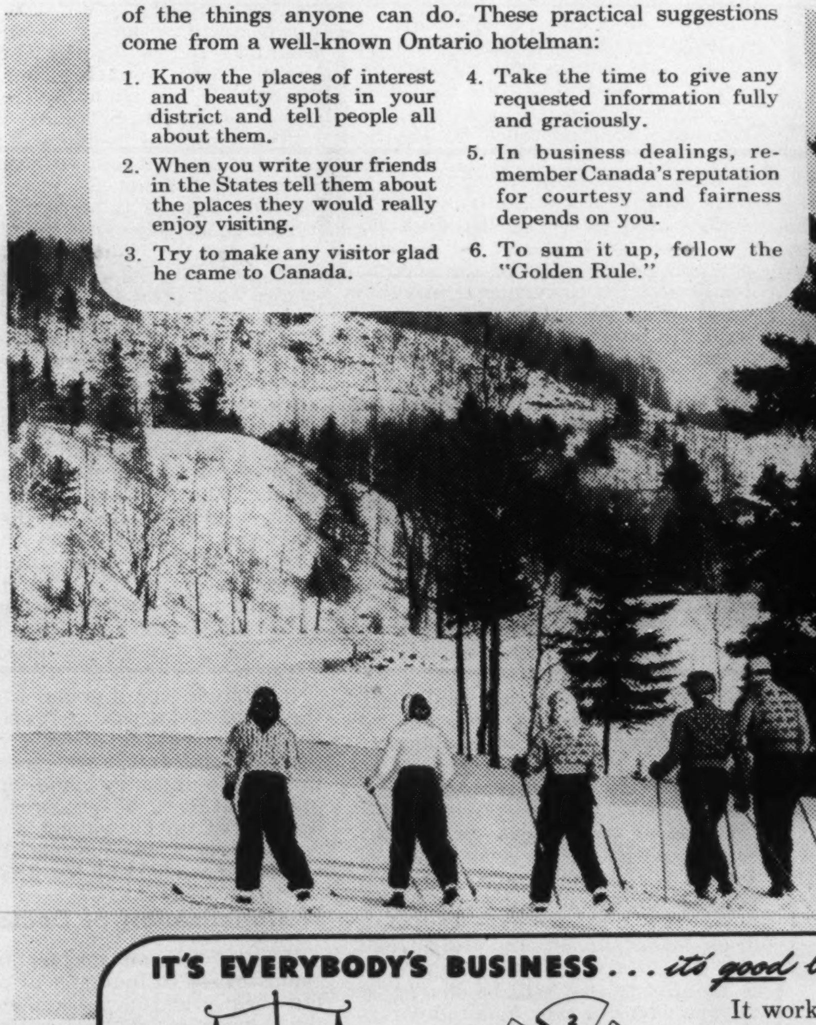
A FASCINATING record by camera, carefully interpreted by text, of the growth habits of infancy in bodily control and in personality. Over 800 photographs are used. Parents, actual or potential, will find this book as companionable as the baby himself.

A DAY THEY'LL TREASURE!

Ontario's ski trails mean fun for hundreds of friendly visitors from the States every year. We want them to enjoy themselves . . . so they'll keep on coming! Let's do all we can to make their visit a real pleasure!

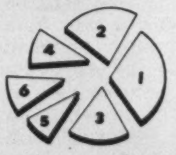
WHAT CAN I DO? The answer is *plenty!* Here are some of the things anyone can do. These practical suggestions come from a well-known Ontario hotelman:

1. Know the places of interest and beauty spots in your district and tell people all about them.
2. When you write your friends in the States tell them about the places they would really enjoy visiting.
3. Try to make any visitor glad he came to Canada.
4. Take the time to give any requested information fully and graciously.
5. In business dealings, remember Canada's reputation for courtesy and fairness depends on you.
6. To sum it up, follow the "Golden Rule."



IT'S EVERYBODY'S BUSINESS . . . it's good business!

Worth his weight in gold! The Province of Ontario profits to almost the same extent from tourist business as it does from the gold mining industry. It is up to each of us to see that it goes on growing.



This diagram shows how everyone benefits from the Ontario tourist income. Every dollar is shared this way . . . 1. Hotels; 2. Stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

It works both ways! They treat us royally when we visit them . . . we can't do less than return the compliment. Remember that it costs money to take a holiday . . . so let's see they get a good return for every penny they spend.

"Let's make them want to come back!"

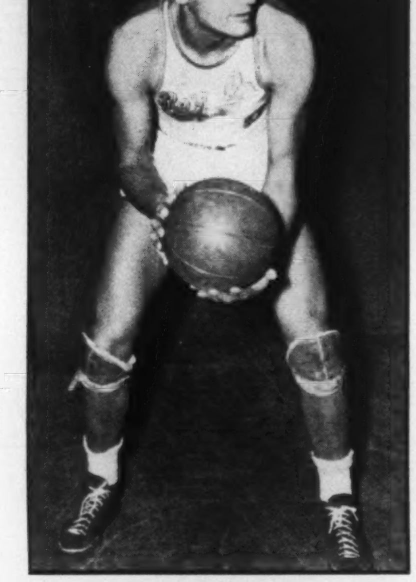
Published in the Public Interest Labatt's by John Labatt Limited

THE LONDON LETTER

Britons Do Not Question Labor's Sincerity But Its Competence

By P. O'D.

SIR Stafford Cripps, the President of the Board of Trade, has recently given a survey of the progress made towards the reconversion of industry to civilian production. The picture he draws is not altogether rosy—it is hard to see how it could be—but the great point is that in industry after industry progress really is being made, and there is good reason to believe that in the next few months this progress will be greatly accelerated.



George Glamack, high-scoring Ace with the Rochester Royals, professional basketball team, playing Fort Wayne Zollners, world's professional champions, at the Maple Leaf Gardens, Toronto, on January 16. The basketball teams of the University of Toronto and the University of Western Ontario will also appear at this outstanding sports event. These games are being sponsored by the Rotary Club of Toronto, and the net proceeds of the game will be devoted to the building fund for the new Hospital for Sick Children.

ROBERT S. DOUGLAS

who has been appointed assistant to the Canadian manager of W. & A. Gilbey Ltd. Mr. Douglas recently returned from five years' service with the Canadian Army overseas.

It is news that dockers or gas-workers or 'busmen are refusing to work. It is not news that in dozens of important industries millions of workers are going back to their old jobs or taking on new ones with a cheerful alacrity—or as cheerful as one could reasonably expect. And yet in order to get a proper perspective, these things must also be given a place in the picture, and not merely in the background.

Sir Stafford had to admit that there still are very serious shortages—"bottle-necks", as we have got into the habit of calling such deficiencies—shortages of labor, shortages of material, shortages of machinery, shortages of accommodation. And one bottle-neck has a way of producing other bottle-necks. Lack of labor in the foundries, for instance, makes it very difficult to get castings, which in turn is holding back the engineering industry, which is thus unable to supply the demand for machinery, and so various other industries have to mark time.

Only a very die-hard reactionary would blame all these difficulties on the Socialists. A Tory government would have much the same trouble and possibly a few troubles more—especially trouble with labor. On the other hand, only a very die-hard Socialist can be blind to the bad effect on business recovery caused by the Government's insistence on the Socialist faith, the whole faith, and nothing but the faith.

The magic word "Nationalization" sounds more like a knell than a slogan in a great many ears. These doubters do not question the good intentions of the Government. All they question is its competence to deal with the immense tasks it is undertaking. They feel that it has neither the special experience nor the necessary staff, and that the machinery of government is, of its nature, very ill adapted to the performance of such operations. They feel also that this is the worst possible time for these vast experiments.

In the meanwhile, the Government is obviously determined to get on with its economic plans. These plans may usher in a new and better social world. They may prove a disastrous failure, and delay the recovery of this country for many years. Only time will tell—time and that stern old umpire, Economic Fact, against whose decisions there is no appeal.

Borstal Now at Dartmoor

Dartmoor, the famous—or should I say "notorious"?—prison down in Devon, has been made the headquarters of the Borstal institution for bad boys. The decision has aroused a great deal of anxiety and protest, and not merely from sentimentalists. It is an anxiety that will be shared by anyone who has ever motored across the wide and generally misty stretches of the great moor, and so come to Princetown in the centre of it, where the huge prison raises its grim walls. It would be a sinister sight anywhere, but especially sinister in those empty and tumbled stretches of moorland, dotted with rocky tors.

The other day the Recorder of Liverpool, a distinguished K.C., not to be suspected of any soft-headed leniency to law-breakers, said that so long as Borstal was at Dartmoor he would want a lot of persuasion to send Liverpool boys there. He said that it was "a place notoriously unfit for such a purpose, and the very name of which strikes terror into the most hardened criminals".

It isn't that criminals are treated brutally there. It may even be that they are better treated, because the accommodation is better. But there is something terrifying about the atmosphere of the place. It is certainly no place to send even a tough young "incorrigible". To have been a prisoner there is to be branded for life.

Fate of British Films

Before the war this country sent to the United States by way of film-rentals something like £7,000,000 a year. At present we are sending almost £18,000,000—at a time when every effort is being made to cut down such outgoings. It is regrettable, it is recklessly extravagant, but how can the problem be solved, except by a decision which would leave half the cinemas in the country empty? Nobody seems to know.

The quota system laid down by the Film Act of 1938, which insisted that a certain proportion of British films must be shown, didn't work any too well before the war. It didn't work at all when, as a result of the war, there were practically no British films to show. And it is likely that it will be quite a long time before British producers are in any position to compete seriously even in this country. In the United States they simply don't compete. None of the money we contribute to Hollywood ever comes back, or almost none.

Tough-minded people will probably say that the real root of the trouble is that British films are just not good enough. They may be right. The national genius does not seem to take readily to that form of expression. Noel Coward and a few others have shown that good films can be made here, but they have been far too few. The average British film is dull and amateurish, a feeble echo of Hollywood, equally empty and not so slick. It is sad but true.

There is at present in this country a great deal of earnest discussion as to how this deplorable position can be put right. Many solutions have been suggested—none of them very promising. The industry must be put on its feet again, studios derequisitioned and repaired, staff reassembled, equipment installed, production resumed. All that will be done, but what sort of production?

The real problem is producers—the sort of producers of genius who made the wonderful series of French films before the war, on about a tenth of the financial and other resources of the British industry. And unfortunately that sort of producer cannot be ordered up by waving a chequebook—even a chequebook the size of the one wielded by Mr. J. V. Rank.

Nationalization of Doctors?

Whether or not doctors in other countries are in the habit of purchasing their practice, my knowledge of the economics of the profession is too limited for me to say. Certainly it is the custom in this country, and has up to now been taken as a matter of course—as the purchase of commissions in the Army used to be once upon a time. And not such a very distant time.

This does not mean that there is no chance for a young English doctor to start his professional career simply by hanging a brass plate on his door and waiting for patients to totter in. A good many successful practitioners have begun that way, but it is undoubtedly the hard way and the slow way.

The young medico who can buy an existing practice or a share in one, gets off to a flying start. And if he hasn't the necessary capital, he can usually find an insurance company to help him over the stile. In fact, these kindly institutions are said to possess vested interests in about a third of the medical practices of the country.

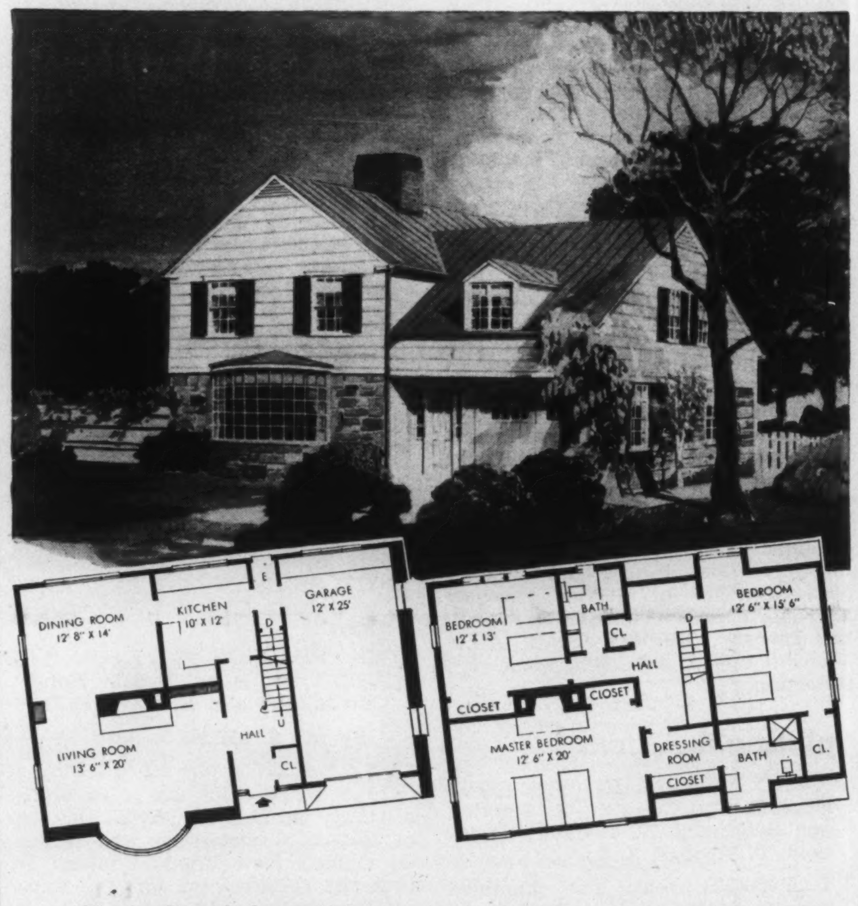
Naturally this sort of thing is very suspect in the eyes of our Socialist rulers—not entirely without good reason. There is about it something unpleasantly suggestive of selling patients like so many sheep. Actually, however, they don't need to stay sold. If they don't like the new doctor, there is nothing to prevent them going to another. It is merely the goodwill that the newcomer buys, and goodwill is a very perishable commodity, as more than one doctor has found out.

The chief objection of the Government to the purchase of practices is that it interferes with the plans for the establishment of a national medical service. No one was very greatly surprised therefore, when the Minister of Health announced that the system was to be offically banned. It is, however, one thing to ban it, and another to prevent it. When the old doctor takes the new doctor around and introduces him to his patients, who is to say what financial considerations may or may not have led to these courtesies?

The medical profession is naturally very much perturbed over this new development, not merely because doctors who bought their practices, and also those who built them up themselves, now see their sale value disappear, but because doctors are afraid that this is a step towards "direction," the turning of doctors into State functionaries who must go where they are sent. And this is something they are determined to fight tooth and nail—also stethoscope and prescription-pad. The poor, patient public is interested too. Are we threatened with a medical strike?

MACDONALD'S
BRIER
Canada's Standard Smoke
SD

Planned for Comfort...
with Copper for *Economy*



THIS dignified small home is designed to give a lot of living and a lot of house per dollar . . . a home that will grow old gracefully.

Here is compactness that means economy in materials and efficiency in heating. And, rustproofed throughout with copper, brass and bronze, the cost of upkeep will be at a minimum.

At every vulnerable point where weather may strike, rustless copper protects this home against the ravages of storm and time. The handsome, fire-resistant standing seam copper roof will grow more beautiful through the years as weathering increases the depth of color tone. Copper gutters and downspouts, copper for chimney, dormer, door and window flashings, bronze insect screens and exterior hardware of solid brass or bronze complete the picture of long-lasting protection.

Inside this well-built house, copper tubes or brass pipe, together with a water heater tank of Everdur* provide a water supply system that will give long, dependable, rust-free service. And, inside too, solid brass hardware adds lasting satisfaction through freedom from replacement.

*Trade Mark Reg'd

Anaconda Copper & Brass

ANACONDA Copper and Brass

ANACONDA AMERICAN BRASS LIMITED
(*Made-in-Canada Products*)

Main Office and Plant:
New Toronto, Ontario

Montreal Office:
939 Dominion Square Building

MUSICAL EVENTS

Mendelssohn Choir's "Messiah" Surpasses Former Renderings

By HECTOR CHARLESWORTH

IN two previous Christmas seasons one has written of the manner in which Sir Ernest MacMillan's fresh untraditional approach to the score of Handel's "Messiah" had brought new vitality to a masterpiece encrusted with two centuries of tradition. The full fruition of his ideas was revealed at Massey Hall on the night after Christmas, when, under his direction, the Mendelssohn Choir and auxiliary forces gave the most efficient and enthralling presentation of the work heard in Toronto within living memory. This is not a mere personal opinion though one has been hearing "Messiah" since adolescence. One talked with veterans who had sung in the oratorio sixty years ago and they were agreed that for potency, fervor and beauty of detail this performance surpassed all previous hearings.

Apart from the grandeur and exaltation of its music, "Messiah" has historic associations that touch the emotions. It carries a sense of the continuity of British institutions when one recalls that for two hundred years English speaking people have been constantly experiencing the spiritual uplift it inevitably inspires. Tradition is illustrated in a single custom that does not die. Last week, as always, the audience rose and stood throughout the "Hallelujah" Chorus. Why? Because at the first performance in London, King George II, an ardent lover of music, was so stirred by emotion that he leaped to his feet. All other auditors naturally rose with him and the custom became fixed for all time.

The British Empire has expanded prodigiously since "Messiah" was composed in 1742; and so soon as an English speaking community became sufficiently established in any part of the world to enable its members to think of music, the first step was to try and organize a production of "Messiah." Thus it has played an integral part in the march of civilization.

A Frenchman's Opinion

All music-lovers of British origin think reverentially of "Messiah," but it has occurred to me to seek a dispassionate verdict, — a Frenchman's point of view. Two years ago Henry Prunières published a "New History of Music; From the Middle Ages to Mozart." Referring to "Messiah" and Handel's oratorio generally, he says: "There is no question of defining the form of Handel's oratorio. It has no specific form. Never was a creative genius more free. As Romain Rolland observes in his penetrating study, the Handelian oratorio 'is a continual attempt to discover new forms within the vast framework of this freely conceived theatre, this drama of the concert hall . . . . Each work brings in its train another of different and almost opposite style and feeling.' This genius employed all the inventions of his age. . . . The Handelian oratorio utilized all the known procedures and methods of composition. Homophonic choruses alternate with complex polyphonic passages and wonderful double fugues. There was never a composer less pedantic than Handel; everything he wrote was truly felt . . . . Most typical are the contrasts and dialogue between soloists and chorus. He has an art of setting a solo voice against a huge choral mass. And how wonderfully he forges all the parts into a single unit! The orchestra in all these works — like a luminous background throwing the drama into relief — replaces the scenery."

The Noble Four

M. Prunières adds, (and though he is thinking of France, it applies in some degree to English-speaking lands) that the majority of Handel's oratorios, despite their glorious reputation, are little known. "One hears constantly the same four or five — usually played in a frigid, heartless manner which misrepresents their meaning."

The grandeur of Sir Ernest MacMillan's leadership last week lay in the fact that it was the reverse of "frigid or heartless." It was pulsatingly warm and alive from the first bar to the last. The Frenchman speaks of the wondrous manner in which Handel forges all parts into a single unit. That, it may be said, was the salient factor in the interpretation. It was a truly marvellous coordination of all forces, in precision, shading and beauty of emphasis.

Not merely the tonal grandeur but the superb unity of effect, made the presentation the finest to which this writer has ever listened. Under the old system whereby soloists often came from elsewhere and the orchestra was engaged here, there and everywhere, such unity was quite impossible. Splendid as were the ambitions of Dr. Torrington, when conductor of the old Philharmonic Society, and magnificent as were his contributions to musical progress; his productions were attended by battles at rehearsal and often in public performance.

The Mendelssohn Choir originally came into existence in one of those curious periods when Handel was supposed to be *démodé*. Unquestionably British creative music had suffered through too wide a concentration on oratorio. The choir's founder, the late Dr. Vogt, once told me that he had never desired to conduct any of the classic oratorios except Mendelssohn's "Elijah." That work he would like to have done in recognition of the composer for whom his organization had been named. It is a happy development that Canada's greatest and most historic choral organization is now identified with the two greatest music proclamations of the Christian faith, "Messiah" and the "St. Matthew Passion."

In quality and balance the present Choir is surprisingly excellent; and the release of so many young people from active service should enable it to augment its forces during the present year. Its flawless diction and perfect response to the symphonic intuitions of the conductor gave the choruses enthralling qualities of sincerity and distinction. The same was true of all forces; there was a glow of enthusiasm. Local church choirs supplied auxiliary singers trained by five able choirmasters, F. C. Silvester, John Wetherseed, John Hodgins, T. J. Crawford and G. D. Atkinson. Orchestra and soloists showed the intimate directing mind.

One might comb the English-speaking world without finding a quartet of singers more perfect in diction than last week's personnel. The voice of each was of beautiful quality, meticulously trained in the tasks to be performed; and there is no more difficult field of song than correct Handelian interpretation whether of recitative or ornate arias. Among veterans who know "Messiah" backward, there was wholehearted enthusiasm for Nellie Smith's renderings of the immortal solos for contralto, the best one has ever heard in purity of intonation tenderness and pathos. There was exalted sweetness and spirituality in the tone of soprano, Audrey Farnall. William Morton's sureness and taste of expression in the exacting passages for tenor were also supremely satisfying; and John Harcourt with a mellow bass voice of unique flexibility won a special triumph in the bravura arias, especially "The Trumpet Shall Sound.'

A Better Borge

The Danish pianistic humorist, Victor Borge, who played a return engagement at Massey Hall recently, made a much better impression than on his first visit, though his program was practically the same. The reason was that he "cut out" the clowning and presented his material, very copious both in monologue chatter, and musical performance, in an urbane, satirical way. He showed himself a gifted executant who knew how to mix up familiar compositions in a mischievous way, and was an expert in banter. His "straight" numbers with a small but efficient orchestra were also stimulating.

• •

DUMB ARISTOCRAT

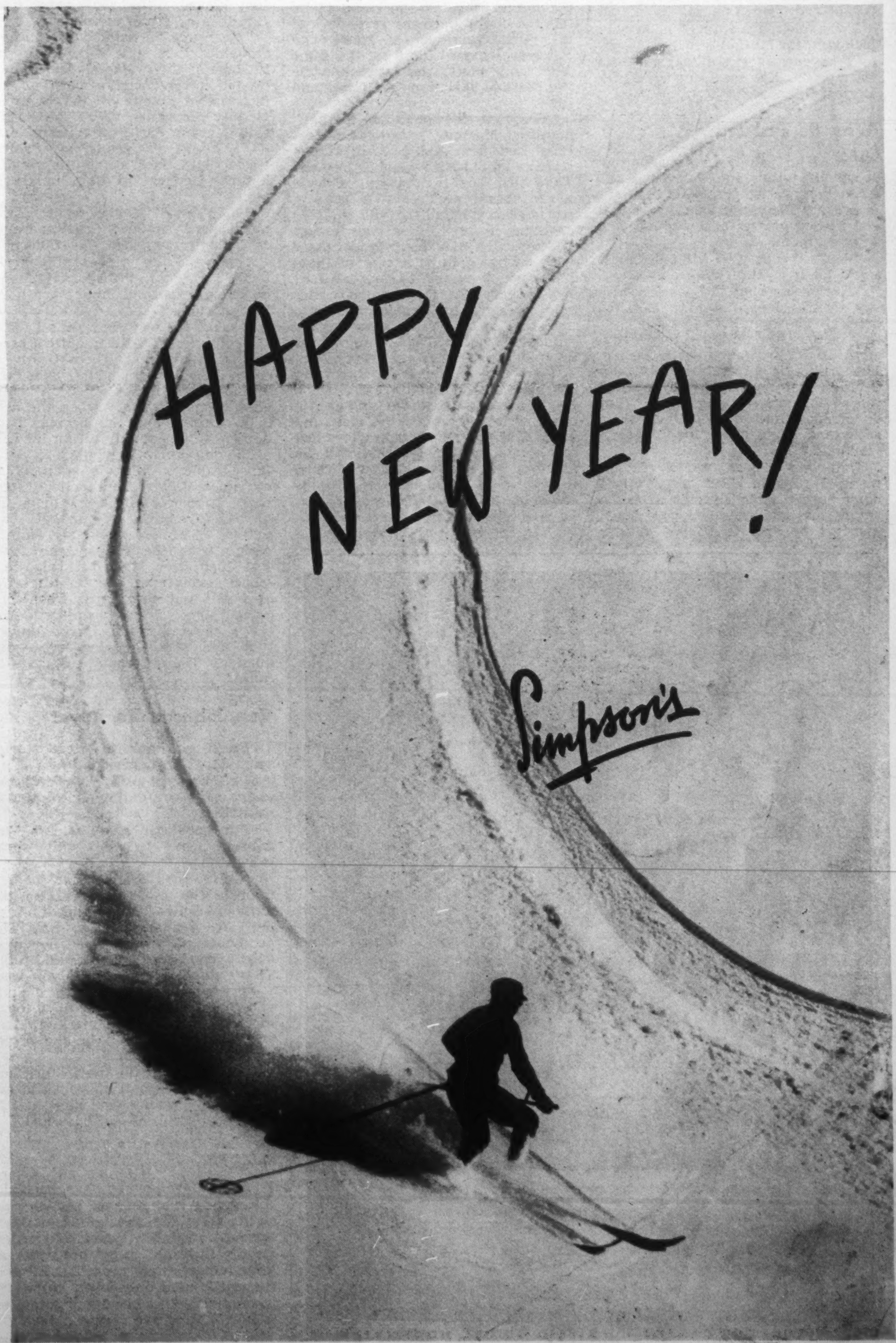
FRAU Muller, whose husband, Heinrich, is still behind barbed wire up in the British zone, and who lives in elegant poverty in Wiesbaden, is typical, I believe, of the attitude toward the occupation on the part of the upper class in this zone. She is the wife of a German officer and uses her position as an excuse to act as a sort of advocate for the disgruntled housewives in her neighborhood. She is frigidly polite, ignorant of almost everything that has happened in the world since 1933 and has an unawareness of social changes which would be appalling even in a Hottentot. Like the vicar's wife in "Cakes and Ale," she is contemptuous of everyone who is not "well born."

"We all wonder why you are treating Germany so harshly," Frau Muller says. "We are trying our best to be friendly, but we are forced to stand in line for identity cards and we have a curfew. It is all very bad."

Drew Middleton in *The N.Y. Times*

TORONTO CONSERVATORY OF MUSIC UNIVERSITY OF TORONTO
MIDWINTER EXAMINATIONS
PRACTICAL AND THEORY
February, 1946
Applications and fees must reach the Conservatory not later than
January 15, 1946
Application forms will be mailed on request
Address—135 COLLEGE ST., TORONTO

ROYAL ALEXANDRA ONE WEEK BEGINNING MON. EVG. JAN. 7
JULES LEVENTHAL
In association with the
MESSRS. SHUBERT
presents
IN PERSON
LUISE RAINER
Hollywood's Famed Star
Twice Academy Award Winner
IN
A Gift for the Bride
A Play with Music
by ANDREW SOLT
Adapted and Directed
by ROWLAND LEIGH
Settings by WATSON BARRATT • Music by JEAN SCHWARTZ
With a Distinguished Broadway Cast
PRICES (TAX INCLUDED) EVENINGS: $1.20, $1.80, $2.40, $3, $3.60
WED. MAT. $1.20, $1.80, $2.40. SAT. MAT. $1.20, $1.80, $2.40, $3.00

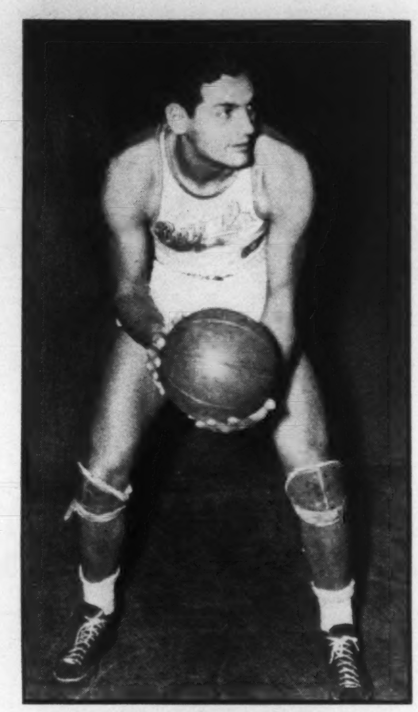


THE LONDON LETTER

Britons Do Not Question Labor's Sincerity But Its Competence

By P. O'D.

SIR Stafford Cripps, the President of the Board of Trade, has recently given a survey of the progress made towards the reconversion of industry to civilian production. The picture he draws is not altogether rosy—it is hard to see how it could be—but the great point is that in industry after industry progress really is being made, and there is good reason to believe that in the next few months this progress will be greatly accelerated.



George Glamack, high-scoring Ace with the Rochester Royals, professional basketball team, playing Fort Wayne Zollners, world's professional champions, at the Maple Leaf Gardens, Toronto, on January 16. The basketball teams of the University of Toronto and the University of Western Ontario will also appear at this outstanding sports event. These games are being sponsored by the Rotary Club of Toronto, and the net proceeds of the game will be devoted to the building fund for the new Hospital for Sick Children.

ROBERT S. DOUGLAS

who has been appointed assistant to the Canadian manager of W. & A. Gilbey Ltd. Mr. Douglas recently returned from five years' service with the Canadian Army overseas.

It is news that dockers or gas-workers or 'busmen are refusing to work. It is not news that in dozens of important industries millions of workers are going back to their old jobs or taking on new ones with a cheerful alacrity—or as cheerful as one could reasonably expect. And yet in order to get a proper perspective, these things must also be given a place in the picture, and not merely in the background.

Sir Stafford had to admit that there still are very serious shortages—"bottle-necks", as we have got into the habit of calling such deficiencies—shortages of labor, shortages of material, shortages of machinery, shortages of accommodation. And one bottle-neck has a way of producing other bottle-necks. Lack of labor in the foundries, for instance, makes it very difficult to get castings, which in turn is holding back the engineering industry, which is thus unable to supply the demand for machinery, and so various other industries have to mark time.

Only a very die-hard reactionary would blame all these difficulties on the Socialists. A Tory government would have much the same trouble and possibly a few troubles more—especially trouble with labor. On the other hand, only a very die-hard Socialist can be blind to the bad effect on business recovery caused by the Government's insistence on the Socialist faith, the whole faith, and nothing but the faith.

The magic word "Nationalization" sounds more like a knell than a slogan in a great many ears. These doubters do not question the good intentions of the Government. All they question is its competence to deal with the immense tasks it is undertaking. They feel that it has neither the special experience nor the necessary staff, and that the machinery of government is, of its nature, very ill adapted to the performance of such operations. They feel also that this is the worst possible time for these vast experiments.

In the meanwhile, the Government is obviously determined to get on with its economic plans. These plans may usher in a new and better social world. They may prove a disastrous failure, and delay the recovery of this country for many years. Only time will tell—time and that stern old umpire, Economic Fact, against whose decisions there is no appeal.

Borstal Now at Dartmoor

Dartmoor, the famous—or should I say "notorious"?—prison down in Devon, has been made the headquarters of the Borstal institution for bad boys. The decision has aroused a great deal of anxiety and protest, and not merely from sentimentalists. It is an anxiety that will be shared by anyone who has ever motored across the wide and generally misty stretches of the great moor, and so come to Princetown in the centre of it, where the huge prison raises its grim walls. It would be a sinister sight anywhere, but especially sinister in those empty and tumbled stretches of moorland, dotted with rocky tors.

The other day the Recorder of Liverpool, a distinguished K.C., not to be suspected of any soft-headed leniency to law-breakers, said that so long as Borstal was at Dartmoor he would want a lot of persuasion to send Liverpool boys there. He said that it was "a place notoriously unfit for such a purpose, and the very name of which strikes terror into the most hardened criminals".

It isn't that criminals are treated brutally there. It may even be that they are better treated, because the accommodation is better. But there is something terrifying about the atmosphere of the place. It is certainly no place to send even a tough young "incorrigible". To have been a prisoner there is to be branded for life.

Fate of British Films

Before the war this country sent to the United States by way of film-rentals something like £7,000,000 a year. At present we are sending almost £18,000,000—at a time when every effort is being made to cut down such outgoings. It is regrettable, it is recklessly extravagant, but how can the problem be solved, except by a decision which would leave half the cinemas in the country empty? Nobody seems to know.

The quota system laid down by the Film Act of 1938, which insisted that a certain proportion of British films must be shown, didn't work any too well before the war. It didn't work at all when, as a result of the war, there were practically no British films to show. And it is likely that it will be quite a long time before British producers are in any position to compete seriously even in this country. In the United States they simply don't compete. None of the money we contribute to Hollywood ever comes back, or almost none.

Tough-minded people will probably say that the real root of the trouble is that British films are just not good enough. They may be right. The national genius does not seem to take readily to that form of expression. Noel Coward and a few others have shown that good films can be made here, but they have been far too few. The average British film is dull and amateurish, a feeble echo of Hollywood, equally empty and not so slick. It is sad but true.

There is at present in this country a great deal of earnest discussion as to how this deplorable position can be put right. Many solutions have been suggested—none of them very promising. The industry must be put on its feet again, studios de-requisitioned and repaired, staff re-assembled, equipment installed, production resumed. All that will be done, but what sort of production?

The real problem is producers—the sort of producers of genius who made the wonderful series of French films before the war, on about a tenth of the financial and other resources of the British industry. And unfortunately that sort of producer cannot be ordered up by waving a chequebook—even a chequebook the size of the one wielded by Mr. J. V. Rank.

Nationalization of Doctors?

Whether or not doctors in other countries are in the habit of purchasing their practice, my knowledge of the economics of the profession is too limited for me to say. Certainly it is the custom in this country, and has up to now been taken as a matter of course—as the purchase of commissions in the Army used to be once upon a time. And not such a very distant time.

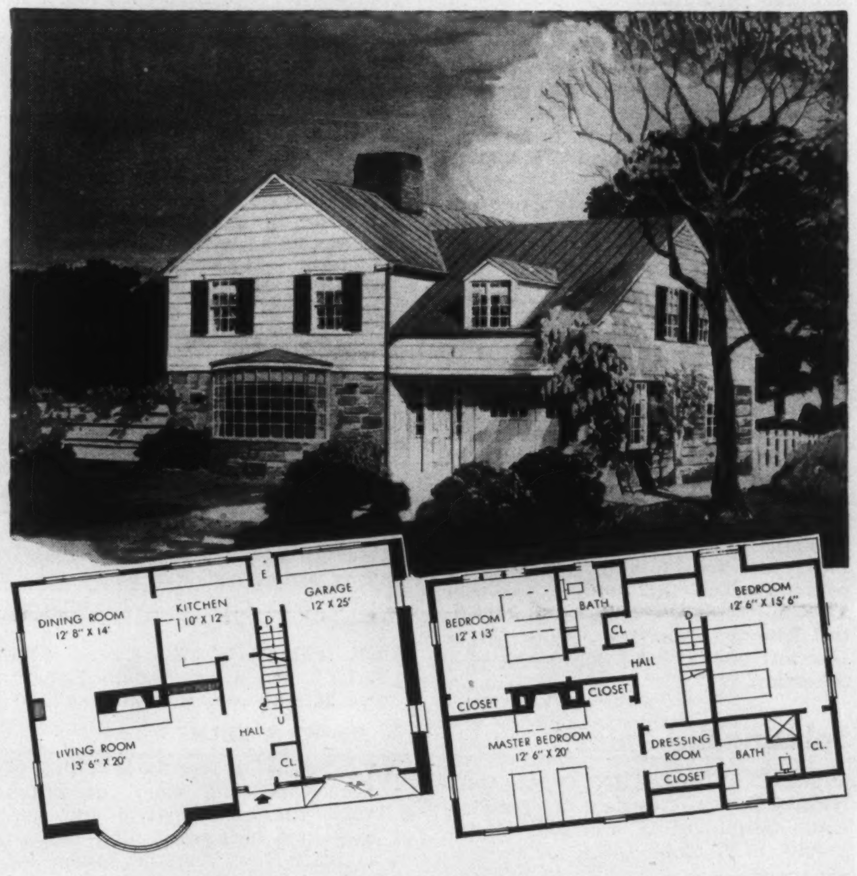
This does not mean that there is no chance for a young English doctor to start his professional career simply by hanging a brass plate on his door and waiting for patients to totter in. A good many successful practitioners have begun that way, but it is undoubtedly the hard way and the slow way.

The young medico who can buy an existing practice or a share in one, gets off to a flying start. And if he hasn't the necessary capital, he can usually find an insurance company to help him over the stile. In fact, these kindly institutions are said to possess vested interests in about a third of the medical practices of the country.

Naturally this sort of thing is very suspect in the eyes of our Socialist rulers—not entirely without good reason. There is about it something unpleasantly suggestive of selling patients like so many sheep. Actually, however, they don't need to stay sold. If they don't like the new doctor, there is nothing to prevent them going to another. It is merely the goodwill that the newcomer buys, and goodwill is a very perishable commodity, as more than one doctor has found out.

The chief objection of the Government to the purchase of practices is that it interferes with the plans for the establishment of a national medical service. No one was very greatly surprised therefore, when the Minister of Health announced that the system was to be offically banned. It is, however, one thing to ban it, and another to prevent it. When the old doctor takes the new doctor around and introduces him to his patients, who is to say what financial considerations may or may not have led to these courtesies?

The medical profession is naturally very much perturbed over this new development, not merely because doctors who bought their practices, and also those who built them up themselves, now see their sale value disappear, but because doctors are afraid that this is a step towards "direction," the turning of doctors into State functionaries who must go where they are sent. And this is something they are determined to fight tooth and nail—also stethoscope and prescription-pad. The poor, patient public is interested too. Are we threatened with a medical strike?



Planned for Comfort . . .
with Copper for *Economy*

THIS dignified small home is designed to give a lot of living and a lot of house per dollar . . . a home that will grow old gracefully.

Here is compactness that means economy in materials and efficiency in heating. And, rustproofed throughout with copper, brass and bronze, the cost of upkeep will be at a minimum.

At every vulnerable point where weather may strike, rustless copper protects this home against the ravages of storm and time. The handsome, fire-resistant standing seam copper roof will grow more beautiful through the years as weathering increases the depth of color tone. Copper gutters and downspouts, copper for chimney, dormer, door and window flashings, bronze insect screens and exterior hardware of solid brass or bronze complete the picture of long-lasting protection.

Inside this well-built house, copper tubes or brass pipe, together with a water heater tank of Everdur* provide a water supply system that will give long, dependable, rust-free service. And, inside too, solid brass hardware adds lasting satisfaction through freedom from replacement.

*Trade Mark Reg'd

Anaconda Copper & Brass

ANACONDA
Copper and Brass

ANACONDA AMERICAN BRASS LIMITED
(Made-in-Canada Products)

Main Office and Plant:
New Toronto, Ontario

Montreal Office:
939 Dominion Square Building

MACDONALD'S
BRIER
Canada's Standard Smoke

MUSICAL EVENTS

Mendelssohn Choir's "Messiah" Surpasses Former Renderings

By HECTOR CHARLESWORTH

IN two previous Christmas seasons one has written of the manner in which Sir Ernest MacMillan's fresh untraditional approach to the score of Handel's "Messiah" had brought new vitality to a masterpiece encrusted with two centuries of tradition. The full fruition of his ideas was revealed at Massey Hall on the night after Christmas, when, under his direction, the Mendelssohn Choir and auxiliary forces gave the most efficient and enthralling presentation of the work heard in Toronto within living memory. This is not a mere personal opinion though one has been hearing "Messiah" since adolescence. One talked with veterans who had sung in the oratorio sixty years ago and they were agreed that for potency, fervor and beauty of detail this performance surpassed all previous hearings.

Apart from the grandeur and exaltation of its music, "Messiah" has historic associations that touch the emotions. It carries a sense of the continuity of British institutions when one recalls that for two hundred years English speaking people have been constantly experiencing the spiritual uplift it inevitably inspires. Tradition is illustrated in a single custom that does not die. Last week, as always, the audience rose and stood throughout the "Hallelujah" Chorus. Why? Because at the first performance in London, King George II, an ardent lover of music, was so stirred by emotion that he leaped to his feet. All other auditors naturally rose with him and the custom became fixed for all time.

The British Empire has expanded prodigiously since "Messiah" was composed in 1742; and so soon as an English speaking community became sufficiently established in any part of the world to enable its members to think of music, the first step was to try and organize a production of "Messiah." Thus it has played an integral part in the march of civilization.

A Frenchman's Opinion

All music-lovers of British origin think reverentially of "Messiah," but it has occurred to me to seek a dispassionate verdict, — a Frenchman's point of view. Two years ago Henry Prunières published a "New History of Music; From the Middle Ages to Mozart." Referring to "Messiah" and Handel's oratorio generally, he says: "There is no question of defining the form of Handel's oratorio. It has no specific form. Never was a creative genius more free. As Romain Rolland observes in his penetrating study, the Handelian oratorio 'is a continual attempt to discover new forms within the vast framework of this freely conceived theatre, this drama of the concert hall . . . . Each work brings in its train another of different and almost opposite style and feeling.' This genius employed all the inventions of his age. . . . The Handelian oratorio utilized all the known procedures and methods of composition. Homophonic choruses alternate with complex polyphonic passages and wonderful double fugues. There was never a composer less pedantic than Handel; everything he wrote was truly felt . . . . Most typical are the contrasts and dialogue between soloists and chorus. He has an art of setting a solo voice against a huge choral mass. And how wonderfully he forges all the parts into a single unit! The orchestra in all these works — like a luminous background throwing the drama into relief — replaces the scenery."

The Noble Four

M. Prunières adds, (and though he is thinking of France, it applies in some degree to English-speaking lands) that the majority of Handel's oratorios, despite their glorious reputation, are little known. "One hears constantly the same four or five — usually played in a frigid, heartless manner which misrepresents their meaning."

The grandeur of Sir Ernest MacMillan's leadership last week lay in the fact that it was the reverse of "frigid or heartless." It was pulsatingly warm and alive from the first bar to the last. The Frenchman speaks of the wondrous manner in which Handel forges all parts into a single unit. That, it may be said, was the salient factor in the interpretation. It was a truly marvellous coordination of all forces, in precision, shading and beauty of emphasis.

Not merely the tonal grandeur but the superb unity of effect, made the presentation the finest to which this writer has ever listened. Under the old system whereby soloists often came from elsewhere and the orchestra was engaged here, there and everywhere, such unity was quite impossible. Splendid as were the ambitions of Dr. Torrington, when conductor of the old Philharmonic Society, and magnificent as were his contributions to musical progress; his productions were attended by battles at rehearsal and often in public performance.

The Mendelssohn Choir originally came into existence in one of those curious periods when Handel was supposed to be *démodé*. Unquestionably British creative music had suffered through too wide a concentration on oratorio. The choir's founder, the late Dr. Vogt, once told me that he had never desired to conduct any of the classic oratorios except Mendelssohn's "Elijah." That work he would like to have done in recognition of the composer for whom his organization had been named. It is a happy development that Canada's greatest and most historic choral organization is now identified with the two greatest music proclamations of the Christian faith, "Messiah" and the "St. Matthew Passion."

In quality and balance the present Choir is surprisingly excellent; and the release of so many young people from active service should enable it to augment its forces during the present year. Its flawless diction and perfect response to the symphonic intuitions of the conductor gave the choruses enthralling qualities of sincerity and distinction. The same was true of all forces; there was a glow of enthusiasm. Local church choirs supplied auxiliary singers trained by five able choirmasters, F. C. Silvester, John Wetherseed, John Hodgins, T. J. Crawford and G. D. Atkinson. Orchestra and soloists showed the intimate directing mind.

One might comb the English-speaking world without finding a quartet of singers more perfect in diction than last week's personnel. The voice of each was of beautiful quality, meticulously trained in the tasks to be performed; and there is no more difficult field of song than correct Handelian interpretation whether of recitative or ornate arias. Among veterans who know "Messiah" backward, there was wholehearted enthusiasm for Nellie Smith's renderings of the immortal solos for contralto, the best one has ever heard in purity of intonation tenderness and pathos. There was exalted sweetness and spirituality in the tone of soprano, Audrey Farnall. William Morton's sureness and taste of expression in the exacting passages for tenor were also supremely satisfying; and John Harcourt with a mellow bass voice of unique flexibility won a special triumph in the bravura arias, especially "The Trumpet Shall Sound.'

A Better Borge

The Danish pianistic humorist, Victor Borge, who played a return engagement at Massey Hall recently, made a much better impression than on his first visit, though his program was practically the same. The reason was that he "cut out" the clowning and presented his material, very copious both in monologue chatter, and musical performance, in an urbane, satirical way. He showed himself a gifted executant who knew how to mix up familiar compositions in a mischievous way, and was an expert in banter. His "straight" numbers with a small but efficient orchestra were also stimulating.

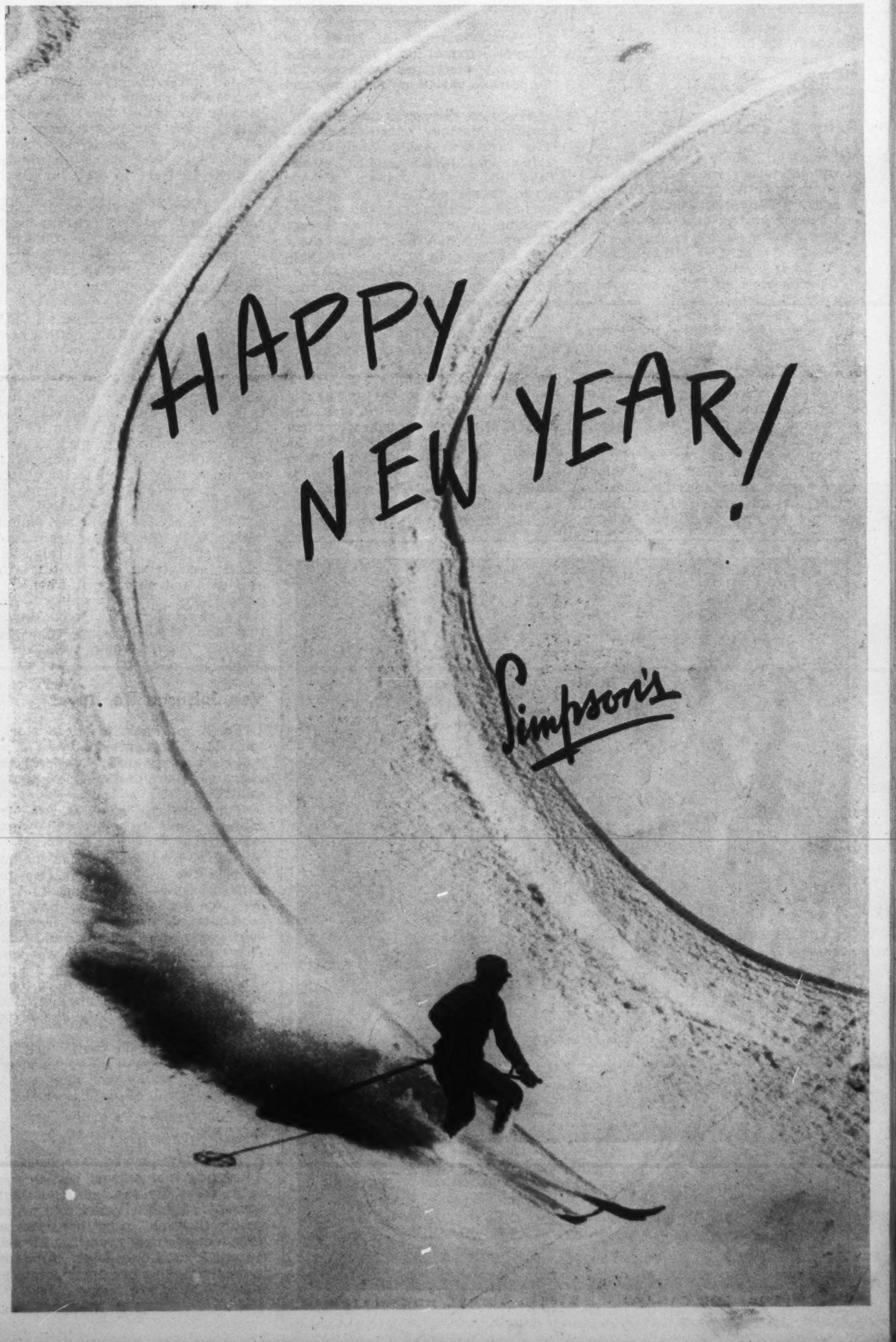
• •

DUMB ARISTOCRAT

FRAU Muller, whose husband, Heinrich, is still behind barbed wire up in the British zone, and who lives in elegant poverty in Wiesbaden, is typical, I believe, of the attitude toward the occupation on the part of the upper class in this zone. She is the wife of a German officer and uses her position as an excuse to act as a sort of advocate for the disgruntled housewives in her neighborhood. She is frigidly polite, ignorant of almost everything that has happened in the world since 1933 and has an unawareness of social changes which would be appalling even in a Hottentot. Like the vicar's wife in "Cakes and Ale," she is contemptuous of everyone who is not "well born."

"We all wonder why you are treating Germany so harshly," Frau Muller says. "We are trying our best to be friendly, but we are forced to stand in line for identity cards and we have a curfew. It is all very bad."

Drew Middleton in *The N.Y. Times*



TORONTO CONSERVATORY OF MUSIC UNIVERSITY OF TORONTO

MIDWINTER EXAMINATIONS
PRACTICAL AND THEORY
February, 1946
Applications and fees must reach the Conservatory not later than
January 15, 1946
Application forms will be mailed on request
Address—135 COLLEGE ST., TORONTO

ROYAL ALEXANDRA ONE WEEK BEGINNING MON. EVG. JAN. 7

JULES LEVENTHAL
In association with the
MESSRS. SHUBERT
presents
IN PERSON
LUISE RAINER
Hollywood's Famed Star
Twice Academy Award Winner
IN
A Gift for the Bride

A Play with Music
by ANDREW SOLT
Adapted and Directed
by ROWLAND LEIGH
Settings by WATSON BARRATT • Music by JEAN SCHWARTZ
With a Distinguished Broadway Cast

PRICES (TAX INCLUDED) EVENINGS: $1.20, $1.80, $2.40, $3, $3.60
WED. MAT. $1.20, $1.80, $2.40. SAT. MAT. $1.20, $1.80, $2.40, $3.00

WORLD OF WOMEN

Irritated Reader in Search of a New Hero with Perfect Pitch

By EMILY HORRICKS

MY FRIEND Marion has always been an avid reader of short stories—especially those in the big popular magazines. She estimates that she has consumed at least four million words of this fiction in her time.

When, therefore, I heard the other day that she was in bed with a mild bout of 'flu, I trotted over with the latest copy of the slickest and fattest women's magazine I could find on the stands.

I tossed it confidently on the bed where poor Marion reclined, swathed to the chin in her husband's flannel dressing-gown, with a box of paper handkerchiefs on the pillow beside her.

Much to my surprise, my offering met with somewhat restrained enthusiasm.

"I like looking at the technicolor pictures of food, anyway," she said, "—and the fashion pages."

I was taken aback and I must have looked it, for Marion went on,

"I haven't bought a magazine for six months. You see I don't read the stories any more."

Why Be Irritated?

Then I jumped to a conclusion, but it was the wrong one. Marion is still a very decorative person, even if she is nearing forty, and I assumed that she needed glasses and was too vain to wear them.

"Well, of course," I offered, "reading a lot *is* a strain on the eyes. . ."

"There's nothing the matter with my eyes," she snapped. "It's the stories! Those authors just don't *try* any more. They think reading magazines is such a habit with people, like smoking cigarettes, that the public can't stop it even if they wanted to. Well, I'm showing them! I'm on strike. Until they pull up their socks and begin giving us real stories again."

That was a pretty strong indictment, I thought. But after all, I don't expect a 'flu sufferer to exude sweet reasonableness. I sat down and got out my knitting. "What's wrong with the stories?" I asked mildly.

"Mostly that the authors are all copy-cats," said Marion. She sat up and shoved an extra pillow behind her neck. "One of the leading writers comes out with a story about teen-age love. Right away fifty others are printed on the same theme. One author makes his hero an architect. For years afterward every story you pick up has a struggling young architect for its leading man. They even copy each other's titles. And names of characters." Marion paused to reach for a Kleenex, and I took the opportunity to put in a word of defense.

"I suppose it's something like knitting," I said, holding up the bootee I was making for a friend's baby. "This looks like a pretty complicated pattern, but you know as well as I do that there are really only two stitches in knitting—purl and plain. All the fancy patterns ever devised are just variations of those two stitches. I expect it's a lot the same with story plots. And after a while the possible variations get fewer and fewer."

"There may be something in that," admitted Marion, "but that's no excuse for them aping each other's style and mannerisms and characters. Take just one little point. I have never, in all my years of reading stories, heard of a hero who whistled or sang in any other way except 'off-key'. Do they have to do that? Is it supposed to be a sign of manliness not to be able to carry a tune? No. Twenty years ago some writer sold a story in which the hero 'whistled off-key', so now that's standard practice. Believe me, it was beginning to get on my nerves.

"And this business of italicizing the thoughts of the characters! Some bright leader started that, and all the other writers grabbed the idea and used it, whether their characters had any thoughts or not *to* italicize. So now you have paragraphs thrown in like this: *"I wonder if my slip is showing. Must tell the cook to put baked beans on for supper. Reggie's tie is a horrid color. Maybe I should buy him another one for his birthday.* . . and so on."

I laughed. "I've noticed that myself," I admitted. "But what has always bothered me most is the way the heroine invariably 'toys with her food.' You know what I mean. The girl and boy go to a restaurant and they order filet of sole, meuniere. . ."

"They *always* order that," put in Marion.

". . . and then they proceed to thresh out their personal problems while all that good food gets cold before them untouched. I must admit I have trouble keeping my mind on the dialogue when that happens."

Mayhem Among Parents

"Ah, but you see," said Marion, warming up to the subject, "the poor girl had no mother to teach her better. In fact, *both* her parents were killed in a crossing smash when she was just a child, and she has been brought up by a rich uncle, whom she can 'wind around her little finger'. That's one of my pet peeves, —the wholesale, casual way those writers kill off unwanted parents. Thousands of parents are disposed of that way every year, just in a passing sentence. And mind you this has been going on for years. There just haven't *been* that many auto fatalities at grade crossings."

"I can see," I said, "why authors wouldn't want any parents around in some of their stories. They would be too inconvenient a curb on the improbable doings of the heroine."

"Just the same, they'll be sorry," said Marion darkly. "Parents may be a blight on young love sometimes—but they come in mighty handy later on to help mind the baby!"

I didn't want Marion to brood any more about the poor girl's parents, so I hastily switched the subject.

"And are the heroes still architects?" I asked. "If so they should be doing something about our housing shortage."

"Oh no, the war changed all that," she told me. "That was quite a problem for the writers. Theoretically, of course, the heroes should have been in the armed forces. But it's pretty hard to make a story when the hero is in Europe and the heroine back home. So they finally hit on the idea of having him a key man in a defense industry, with, in addition, an old knee injury from college football. It was really something, the mounting number of football casualties! I almost made my Jimmie resign from the Midget team. But just then they started turning out stories explaining how to treat the husbands and sweethearts when they came home from overseas. And that's about the time I gave up fiction and started doing crossword puzzles. There's some suspense in those."

Van Johnson Vs. Boyer

"You'll go back to short stories some day," I prophesied.

She shook her head. "Not until the vogue for Van Johnson is over," she said firmly.

"For goodness' sake, what's Van Johnson got to do with short stories?"

"A lot. He's the popular leading man in the movies today. So the authors figure that's the kind of hero the readers will go for. The good-natured, freckle-faced boy next door—good, and reliable and dull. That's not for me. But if you read a story some day whose hero reminds you of Charles Boyer, with a touch of Cary Grant . . . let me know will you? It will probably be the beginning of a new trend."

I promised to do that, stuck my needles into the ball of wool and got up." How would you like me to make you a cup of tea?" I asked.

• •

ELECTRIC

HOT water heaters have been designed that deliver hot or cold water from the same faucet. Turn the tap to the left to get cold water, turn to the right to get hot water at any temperature needed. Electric current is used only when hot water is running. These heaters operate on AC or DC and are very compact.

—N. Y. *Herald Tribune*

It's Dry . . .
It's Powdered . . .
It's a new sensation in perfumes!
Dab it on your skin . . . drop a dash in the hem of your gown . . . a few grains inside foundation or blouse . . . and you have a lasting fragrance that's just starry with charm.
ROGER & GALLET
(POUDRE A SACHET)
PARIS - MONTREAL

DISTRIBUTORS FOR CANADA - J. ALFRED OUIMET, MONTREAL, QUE.

Restaurants Cause of Visitors' Dim View of English Cooking

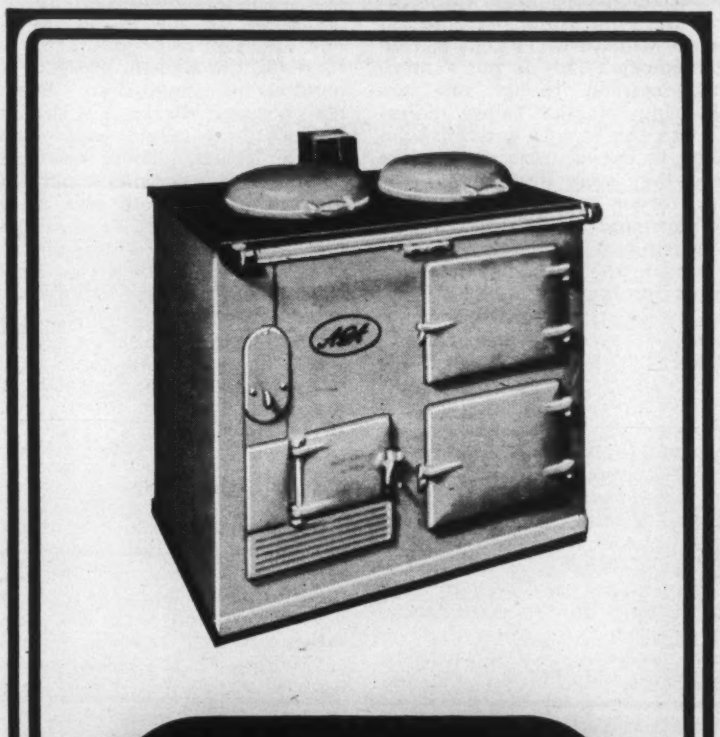
By GEORGE ORWELL

London.

WE HAVE heard a good deal of talk in recent years about the desirability of attracting foreign tourists to this country. It is well known that England's two worst faults, from a foreign visitor's point of view, are the gloom of our Sundays and the difficulty of buying a drink.

Both of those are due to fanatical minorities who will need a lot of quelling, including extensive legislation. But there is one point on which public opinion could bring about a rapid change for the better: I mean cooking. It is commonly said, even by the English themselves, that English cooking is the worst in the world. It is supposed to be not merely incompetent, but also imitative, and I even read quite recently, in a book by a French writer, the remark: "The best English cooking is, of course, simply French cooking."

Now that is simply not true. As


The
AGA COOKER
Perfect Cooking
Perfect Cleanliness
Always Ready

Imagine a range that burns 24 hours a day, keeping its boiling plates, simmering plates and ovens always hot for instant use day and night . . . yet needs only a small amount of coal each day. But that's only part of the benefits an Aga Cooker brings you. The way it bakes cakes and biscuits is a real delight. Meat shrinkage is reduced to a minimum, and steaks taste as though broiled over a charcoal fire. Meals can be kept hot for long periods without drying out.

Why not get the full story of this amazing cooker designed by a Swedish scientist. Write for illustrated literature.

***Style-Cast* ALUMINUM COOKING UTENSILS**
These heavy, cast-aluminum cooking utensils bring lifetime beauty and cooking satisfaction to your kitchen. No dirt-collecting seams or rivets—thick flat bottoms that get the most heat out of your cooking unit. Priced at their lowest in twenty years.

AGA HEAT (CANADA) LIMITED
2187 BLOOR STREET WEST, TORONTO
1075 BEAVER HALL HILL, MONTREAL

anyone who has lived long abroad will know, there is a whole host of delicacies which it is quite impossible to obtain outside the English-speaking countries. No doubt the list could be added to, but here are some of the things that I myself have sought for in foreign countries and failed to find.

First of all, kippers, Yorkshire pudding, Devonshire cream, muffins and crumpets. Then a list of puddings that would be interminable if I gave it in full: I will pick out for special mention Christmas pudding, treacle tart and apple dumplings. Then an almost equally long list of cakes: for instance, dark plum cake (such as you used to get at Buszard's before the war), shortbread and saffron buns. Also innumerable kinds of biscuit: which exist, of course, elsewhere, but are generally admitted to be better and crisper in England.

Then there are the various sauces peculiar to England. For instance, bread sauce, horseradish sauce, mint sauce, and apple sauce; not to mention red currant jelly, which is excellent with mutton as well as with hare, and various kinds of sweet pickle, which we seem to have in greater profusion than most countries.

What else? Outside these islands I have never seen a haggis, except one that came out of a tin, nor Dublin prawns, nor Oxford marmalade, nor several other kinds of jam (marrow jam and bramble jelly, for instance), nor sausages of quite the same kind as ours.

Then there are the English cheeses. There are not many of them, but I fancy that Stilton is the best cheese of its type in the world, with Wensleydale not far behind. English apples are also outstandingly good, particularly the Cox's Orange Pippin.

English Delicacies

And finally, I would like to put in a word for English bread. All bread is good, from the enormous Jewish loaves flavored with caraway seeds to the Russian rye bread which is the color of black treacle. Still, if there is anything quite as good as the soft part of the crust from an English cottage loaf (how soon shall we be seeing cottage loaves again?) I do not know of it.

It will be seen that we have no cause to be ashamed of our cookery, so far as originality goes, or so far as the ingredients go. And yet it must be admitted that there is a serious snag from the foreign visitor's point of view. That is, that you practically don't find good English cooking outside a private house. If you want, say, a good, rich slice of Yorkshire pudding, you are more likely to get it in the poorest English home than in a restaurant, which is where the visitor necessarily eats most of his meals.

It is a fact that restaurants which are distinctively English, and which also sell good food, are very hard to find. Pubs, as a rule, sell no food at all, other than potato crisps and tasteless sandwiches. The expensive restaurants and hotels almost all imitate French cookery and write their menus in French, while if you want a good cheap meal you gravitate naturally towards a Greek, Italian or Chinese restaurant.

We are not likely to succeed in attracting tourists while England is thought of as a country of bad food and unintelligible by-laws. At present one cannot do much about it, but sooner or later rationing will come to an end, and then will be the moment for our cookery to revive. It is not a law of nature that every restaurant in England should be either foreign or bad, and the first step towards an improvement will be a less long-suffering attitude in the British public itself.

She Backs Altruism with Hard Work and Persuasive Speech

By MARGARET AITKEN

ENGLISH war brides, now entering Canada by the thousands, might conceivably derive some helpful hints from their American sisters. American women who marry foreigners have the paradoxical capacity of quick assimilation into the lands of their marital adoption yet without shedding the characteristics and individualism peculiar to themselves.

Mrs. Egmont Frankel

In short, American women who marry Canadians become Canadian, not only in theory but also in fact, and without losing one whit of nationalistic pride. They think of themselves as Canadians.

Such an American-Canadian is Mrs. Egmont Frankel of Toronto, nee Ruth Hartman of Chicago. A public-spirited woman, her name has graced innumerable Toronto philanthropic and patriotic committees during the past twenty years. Wherever and whenever there's work to be done or money to be raised, someone is sure to think of Ruth Frankel. She'll do it.

She says her first forays into the field of persuading people "to give" were agonizing. She was shy. But, since the war with its Victory Loans and War Savings Stamps (both of which engaged the untiring energies of Mrs. Frankel) she says she wouldn't hesitate now to ask President Truman for the United States of America, if Canada really needed it. For the sake of President Truman, it is to be hoped Canada won't be wanting the United States because Mrs. Frankel's gifts of persuasion are atomically powerful.

Ruth Frankel was born and educated in Chicago. Her maternal and paternal background is a legal one and thus it was that she too directed her studies in that direction. She was a law student at the University of Chicago when a young Torontonian, a graduate of Upper Canada College and the University of Toronto, by name of Egmont Frankel, met, wooed and won her hand. She came to Toronto as a bride twenty years ago and has lived here ever since.

Personal War Effort

To list the organizations and committees upon which Mrs. Frankel has served would be to list a good proportion of all the welfare and patriotic organizations in Toronto. Her personal war effort included such jobs as treasurer of the Women's Voluntary Services, Chairman of the War Saving Stamp Committee, Chairman of the Canadian Jewish Congress Servicemen's Club and one of her latest jobs is on the Managing Committee of the United Welfare Chest. She is also on the Local Council, Girl Guides, on the Crippled Civilian Board and the Princess Alice Scholarship Fund Board. She works for the Salvation Army, the Y.M., the Y.W. and the Welfare Chest, when those organizations put on drives for funds.

In 1940 Mrs. Frankel assisted in organizing a Canadian Club in Chicago and also a "Book Bins" project from whence thousands of books were donated by Chicago-ites for Canadian servicemen. During that same year (1940) Mrs. Frankel expended much time and energy talking from platforms in isolationist Chicago. She is a staunch British Commonwealther and since 1941, a Progressive Conservative. Her husband is a Liberal.

Being the kind of person she is, Mrs. Frankel not only professes her adherence to Progressive Conservatism but she also worked with customary enthusiasm and industry to get the politicians of her choice elected in the 1945 elections.

She is a regular reader of Hansard and a woman well-versed in public affairs. She is also a meticulous housekeeper, loves to give and go to parties, as long as she does not have to play cards, and she has mastered the art of public speaking. She dislikes mental dishonesty, intolerence, and the very sight of a weighing machine. Mrs. Frankel is a tall, dark-haired woman with plenty of pulchritude and no cause for the complaint that scales depress her. She loves people; thinks friendship is what makes the world go around and is herself blessed with an abundance of friends.

It's A Gift

There are three Frankel children—Joyce, 18, who graduated from Branksome Hall last year and is now a freshette at Smith College; Alan, 16, at University of Toronto Schools and John David, 11, at Whitney Public School.

With the closing down of her multiwar activities, Mrs. Frankel talks wistfully about an ambition of longstanding, which she doesn't believe will ever be realized. She wants to start a gift shop. Her husband, Egmont, objects, purely on practical grounds. He says his wife is a great organizer and an indefatigable worker but no businesswoman. He says her ideas of a gift shop would be to give the gifts away. Mr. Frankel himself is a generous "giver" when it comes to communal welfare and charitable projects but he would just as soon not do his giving via a gift shop.

Now—sweeter, tastier bread with FLEISCHMANN'S FRESH ACTIVE YEAST

It's so easy to bake delicious, smooth-textured loaves if you use Fleischmann's *active* fresh Yeast. This fresh yeast is *full-strength*. It goes *right to work* to help you get best baking results *every time*.

IF YOU BAKE AT HOME—insist on Fleischmann's *active* fresh Yeast. The cake with the familiar yellow label! Dependable—Canada's favorite for over 70 years.

Always fresh—at your grocer's

MADE IN CANADA

Elizabeth Arden

Call to Perfection

CLEANSE . . . TONE . . . SMOOTH

Skin care is the basis of a lovely complexion. Build your program of loveliness around these three essential steps . . . cleansing, toning, smoothing.

CLEANSE with Ardena Cleansing Cream night and morning, 1.25 and 3.50. Use Fluffy Cleansing Cream for quick cleansing between make-ups, 1.25 and 3.50

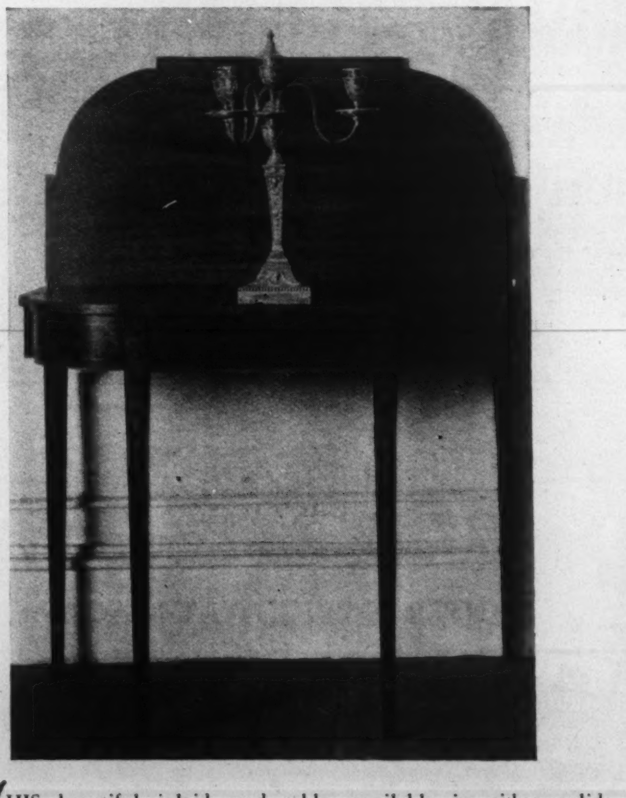
TONE with Ardena Skin Lotion, 1.25 to 5.00, or Special Astringent to help firm and smooth, 2.75 and 4.40

SMOOTH with Ardena Velva Cream, 1.25 and 3.50, or Ardena Orange Skin Cream, 1.25 to 5.00

SIMPSON'S, TORONTO
and at Smartest Shops in Every Town

940

Card Table



THIS beautiful inlaid card table, available in either solid mahogany or walnut, is another example of our excellent craftsmanship.

When not in use, its graceful design makes it a pleasing and useful wall table for drawing room or hallway.

LIONEL RAWLINSON LIMITED
Designers and makers of fine furniture
647-649 Yonge Street, Toronto
EST. 1883

CONCERNING FOOD

Marie Antoinette's Advice Can Be Reversed to Conserve Sugar

By JANET MARCH

WHEN Dr. Margaret Mead, the anthropologist, came to Ottawa last year to address the nutrition conference, she dropped, as she always does a lot of interesting ideas around her path. One of them was a suggested slogan, "Let's eat the food that makes sense this year". To explain this she said that you could make eating the most nourishing foods available, as fashionable as wearing the season's hat, but it can't be done by being moral about it. "And remember," she added, "there is no good going to the extreme of pretending that turnip greens are simply delicious. They're not, and you know it."

Her argument is that morality is all right in its place but its place isn't on the dinner table, and if it turns up there people just get to scunning the things they are told they should eat.

Dr. Mead's idea about eating the best foods available, and making such a practice generally acceptable is a fine one, particularly now when a few shortages still are dogging us. At present it might be a good idea to reverse Marie Antoinette's advice about eating cake if you can't get bread, and going for bread in a big way. Certainly if you buy your cakes in shops these days you have to be there when the doors open, like crowds and be willing to accept gratefully a variety you never thought of buying.

If bread means to you the same identical loaf which the baker leaves at your door each day you'll have trouble persuading your family that even the most inferior cake isn't worth while, and they'll start up one of those nostalgic talks about the devil's food you used to beat up in the old days. If, however, you take some trouble about giving them a wide variety of breads it's wonderful how the sugar coupons will accumulate.

The baker can give you quite a lot of variety, if you ring the changes on white and whole wheat and Dutch loaves, and whatever other sorts he has. There's usually a delicatessen somewhere nearby which sells French bread and, if you don't already know one, find a Jewish baker so that you can get that dark closely woven rye bread sprinkled with caraway seeds. Too, he will have those plaited loaves made with eggs and with a shiny brown crust covered with poppy seeds which, if brought home hot, vanish more quickly than you could believe. If you like hard rolls, there are all kinds and sizes. The only trouble with getting the family too enthusiastic about different varieties of bread is that they like to butter it. Don't forget, if all you can find in the bread box is a stale white loaf, that you can slice it paper thin and dry it out in the oven and have toast Melba.

By using more bread and less cake than we used to when sugar was no consideration you should have more sugar to use in sweet dishes. These are good to have now and then even if you must have cheese and biscuits, or mushrooms on toast instead of desserts for a couple of nights to catch up. Here are a couple of recipes which do take a little sugar, but now and then we can all afford a few such dishes —

Orange Cream

1 cup of cream (as thick as you can get)
1 tablespoon of gelatine
2 tablespoons of cold water
¼ cup of sugar
4 tablespoons of marmalade
½ cup of milk
1 egg
4 oranges
¼ cup of orange juice
½ teaspoon of lemon juice

Dissolve the gelatine in the cold water and stir in the quarter cup of orange juice. Heat in the top of the double boiler and add the marmalade. Separate the egg and beat and add the yolk to the half cup of milk and stir in half the amount of sugar. Cook over boiling water till it thickens and add to the gelatine mixture. Beat well and put to cool. When cold stir in the cup of cream and chill in the refrigerator for an hour, by which time it will have begun to stiffen. Then take it out and beat with a Dover beater. Beat the egg white till it is stiff and fold it in, and then put to set in a mould which has been rinsed in cold water. Peel and slice the oranges, being sure to get off all the white part, and when you have put the mould out, pile thin slices of orange around it and serve.

Banana Fritters

As apples are so scarce this year and the once rare banana is pretty easy to get how about making fritters.

4 bananas
2 tablespoons of granulated sugar
½ cup of flour
½ cup of milk
1 tablespoon of shortening
1 egg
Powdered sugar
1 teaspoon of lemon juice
Salt

Separate the egg white and yolk and beat the yolk, then add to it the shortening melted, half the milk and a sprinkle of salt. Add the granulated sugar to the flour and stir into the egg yolk mixture, then add the rest of the milk. Beat the egg white till it is stiff and fold it in. Slice the bananas the long way and then cut into pieces about two and a half inches long. Sprinkle with the lemon juice, dip into the batter mixture and fry in deep fat till golden brown. Drain on brown paper, sprinkle with the powdered sugar and serve.

All You Need is a Sharp Knife for Plain or Fancy Carving

By FREDERIC MANNING

NOW that the holiday season, so-called, is over and I'm not in danger of having so many dinner invitations cancelled by enraged hosts and hostesses, I feel I can come right out in the open and express myself on the subject of carving. Maybe it would be more correct if I said object instead of subject.

During the past few weeks at some friendly dinner parties (and some not so friendly) I have seen quite a bit of both plain and fancy carving. When at its best this is something to admire but when the performance is Grade C at its worst!

My family have always regarded me as a hit and miss carver, as I am inclined to use the same technique I employ on a typewriter, except that when I come to a really tough joint (and no low cracks here, please,) I am inclined to close my eyes.

I can always manage to get enough meat cut for everyone to have a bit (with one exception, which I shall go into later) but I will admit that if I am working on a fowl it is quite unrecognizable when I am finished. This method is known, I believe, as the Hacking Method and is always accompanied by a shudder when speaking of it.

There have been times when I thought I did rather well. This, of course, has always taken place in some other person's house, never in my own. When I have retailed my little triumph at home later, I have met only incredulous stares from my family. This makes me hurry on to say that the carving knife was a very fine one and very sharp, one of the kind that really cuts anything.

My sister always surveys me coldly at this point, and remarks that she always sees to it that *our* carving knife is sharp too, so why can't I do homework like I say I do away from home? Then, just to clinch matters, she inquires how much of the roast I managed to keep on the platter.

The end of this discussion is never very amiable.

I will admit being completely stumped on one occasion, but I still think it was entirely cocktail trouble I had, and no pun intended or taken either.

I was faced, in a friend's house, with an enormous platter on which, and this I shall always maintain, were three chickens. God knows I tried to sort out legs, wings and breasts, especially breasts, but it was with a feeling of tremendous relief, mixed with a certain amount of chagrin, that I heard my hostess request her maid to remove the platter to the kitchen and have the cook operate. It would save time, she said.

Two Wild Ducks

This was most diplomatic and face-saving of her, as we had plenty of time and I still stick to my story that there were three chickens on that platter.

I was slightly entertained at a dinner recently when the host, a well known surgeon about town, was faced with a large roast of very rare beef. His wife murmured, much too loudly I thought, that Bob was wonderful the way he could carve meat paper thin. Now who wants hot roast beef carved paper thin? My idea is a good thick slice and no nonsense about it. When cold it is a different matter and I too can carve beef paper thin. Maybe only the thinness of corrugated paper but still—paper thin.

Anyway, I thought it was very questionable taste for Bob to be so professional at a dinner-table.

Among my friends is a man who can carve a duck so that one does for about a dozen people and everyone seems to have enough, but this, I contend, comes in the miracle class and has nothing to do with myself.

My saddest experience with duck was trying to make two wild ducks do for five people. I have always understood that in carving wild duck one just carelessly ran a knife down the middle of each and everyone got a half. Well, no friend of mine can produce five halves from two ducks on which there is no meat anyway and everyone is so afraid of swallowing some shot it is worse than fish.

By the time I had battered those two ducks around the table and produced practically no meat we had to get up and leave for the theatre. No salad, no dessert, no coffee and no meat either. We have had no wild duck dinner parties since that occasion.

I have another friend who just props up a book with a chart in front of him and sets to work, but no chart can help me when the butcher only nicks the bones of a rack of lamb and leaves me to do the heavy work at the table with a knife.

On many occasions I have admired the work of another friend (female this time) who is usually an excellent and very neat carver but had a little duck trouble too. This again was really cocktail trouble. Four of us went into the country for a picnic supper. After a little quiet drinking our hostess set out to carve the duck but couldn't decide which end was which. She finally spread a napkin on her lap, and while the bird nestled there cosily, she proceeded to do some dissecting. Fortunately the duck was cold.

I daresay there is a moral in all this, having to do with abstainers and carvers or something equally fancy.

If that is so, my motto is cocktails and more cocktails and to hell with dinner.

GO EASY, BROTHER

SHIMEI saw the big parade
With the royal banners and glittering spears.
Up on the side of the hill he stayed
Giving it curses instead of cheers,
Overbearing the trumpet tones.
Danced in rage and threw jagged stones.

Fiercely the modern poet sings,
Crude of rhythm and lean of grace,
Cursing cabbages, priests and kings,
Finding evil in every place.
And as the ugly echoes die
I keep thinking of Shimei.

J. E. M.

JOAN RIGBY
DRESSES — TWEEDS — SWEATERS
54 BLOOR STREET WEST
TORONTO CANADA
MIDWAY 4969

NAUSEA caused by sudden changes when flying, relieved with MOTHERSILL'S AIRSICK REMEDY
...Helps to control organs of balance. Quiets the nerves.
THE WORLD OVER

Oriental Cream
GOURAUD
The cream to use before the evening dance. No rubbing off—no touching up. A trial will convince.
White, Flesh, Rachel, Sun-Tan

WINTER IS BRIGHT AT NIAGARA

CARDY HOTELS

The Majestic beauty of the falls, the mountainous snow and the brisk heady air combine to make a winter holiday at Niagara one to remember.

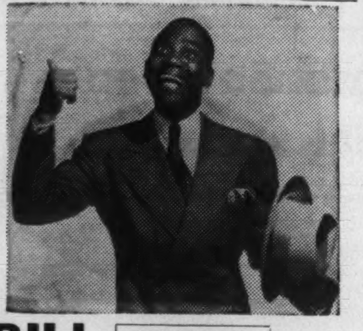
Then, indoors, you may enjoy the warm hospitality of the General Brock—a comfortable room, wonderful meals in the Rainbow Room and Coffee Shop—both famous for food—and dancing in the Crystal Ballroom. Rates, single $3.00 up, double $5.00 up.

The GENERAL BROCK
NIAGARA FALLS / ONTARIO
Vernon G. Cardy, President W. A. Stead, Manager

When the wash is out
and you're all in
There's
Quick Comfort
in a cup of TENDER LEAF TEA
TENDER LEAF TEA
Superior Quality
TENDER LEAF TEA
Blended and Packed in Canada
At your grocer's in convenient size packages...also in improved FILTER tea balls.

Bake a Better Cake with Magic Baking Powder
Dependable for Three Generations
MAKES THE WHITEST, LIGHTEST
1 LB.
MAGIC BAKING POWDER
CONTAINS NO ALUM

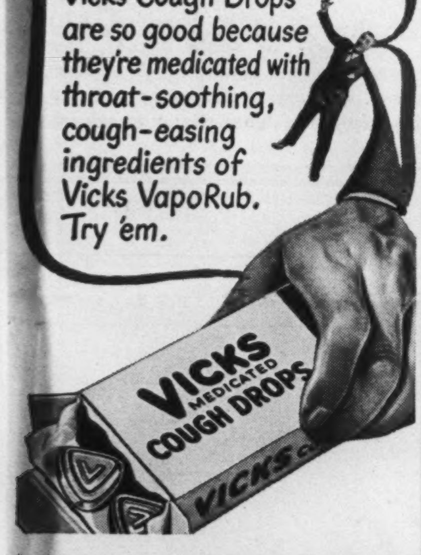
MASSEY HALL WED. JAN. 9
$3.00, $2.40 $1.80 $1.20 Tax Included
SEATS NOW SELLING

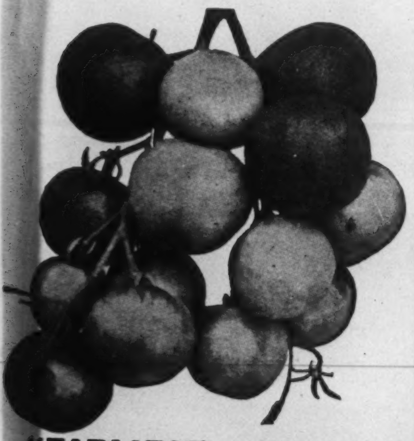


BILL "HOT MIKADO" HIMSELF
ROBINSON
WITH
ADA BROWN
(London's Great Sensation)
AND A GREAT ALL STAR
VARIETY SHOW
OF COLOURED ENTERTAINERS

THROAT HUSKY?

Here y'are... soothing, speedy relief from huskiness, coughs due to colds! Vicks Cough Drops are so good because they're medicated with throat-soothing, cough-easing ingredients of Vicks VapoRub. Try 'em.





"EARLIEST and BEST"
TOMATO

Introduced by us several years ago and by sheer merit it has outsold all other varieties among both home and commercial growers each season, in every part of Canada. Customers repeatedly tell us "Earliest and Best" is still better than we claim. Produces large, beautiful, solid, perfect shipping tomatoes, earlier than any other variety. High crown type without core, and most beautiful red with finest flavour. No cripples, scalds, cracked, wrinkled, uneven, scarred fruit, and often ten fruits in a cluster. Amazing yielder. (Pkt 15¢) (oz 75¢) postpaid.

FREE—OUR BIG 1946 SEED AND NURSERY BOOK—Leads Again 6sw
DOMINION SEED HOUSE - GEORGETOWN, ONT.

More Widely Quoted

SATURDAY NIGHT is quoted or referred to by editors and newspapers and other periodicals in Canada on more occasions per issue than is any daily newspaper or any other periodical of general appeal in Canada.

THE THEATRE

Seeing a Smart High Comedy With Hector Charlesworth in Mind

By LUCY VAN GOGH

IT WAS impossible to sit in the Royal Alexandra Theatre on Monday night, in the seat three rows ahead of Hector Charlesworth's which I have occupied ever since he came back from Ottawa, without reflecting on matters remotely connected with the performance. It was as a dramatic critic that he attained his highest reputation; it was the decline of the theatre in "the provinces" in the 'twenties that turned his energies largely into other paths; no one was more keenly aware than he of the social and cultural loss involved in that decline, or hailed more delightedly every evidence — and Monday night was very good evidence—of the return of better days. As early as 1891, in the old Toronto *World*, he was doing dramatic criticism more percipient and better based on knowledge than any other in Canada or indeed in the United States outside of three or four leading cities, and long before the first world war he had become a continental figure known to and respected by everybody in the theatrical world. His influence in music came later, and for his knowledge and taste in that sphere he was largely indebted to the brilliant and accomplished wife who predeceased him by only a few years.

I could not help wishing that the Ruth Chatterton production of "Windy Hill" had come here a week earlier in order that Hector Charlesworth might have enjoyed a first act which was typical of the silky smoothness of dialogue and delivery, the atmosphere of rich personal charm, the vivid (and doubtless highly immoral) concentration on the life of the moment, that are the essence of fashionable comedy in any age and era. In addition to the merits of the production, there was a capacity New Year's eve audience of real pre-war quality, people accustomed to the theatre, alertly responsive to its wit and vivacity, taking the point of even rather delicate literary allusions—such as one to Penelope in act two. It all took me back in spirit to the old Grand Opera House in which I did my first theatre-going and learned to watch for the critics of the day, among whom Charlesworth was already the chief. He would have loved that first act almost as much as he hated the music of Duke Ellington, in which hate I think he was probably wrong, because artistic progress must get its renewal every now and again from the tastes of the masses, and those tastes are always apt to appear vulgar to the adepts of the older styles.

"Windy Hill" is on its way to New York, where I hesitate to predict its reception, because its structure and theme do not allow of the second and third acts coming anywhere near the first in charm or interest. It is the work of Patsy Ruth Miller, and is almost wholly concerned with the lapse into extreme domesticity of a young female magazine writer and playwright who has fallen desperately in love (and set up housekeeping) with a male of the same profession. That it holds as well as it does is partly due to the ease and brightness of the dialogue, but mainly to highly accomplished acting by Kay Francis and Roger Pryor, two of the most dexterous and civilized comedians who were ever kept off the stage by the rivalry of the cinema. In spite of all they could do, it seemed to me that the domesticity—the resolute turning of the back on all adventure, the clinging to *tête-à-tête* life, the attendant deterioration of the woman playwright's skill and judgment, and the boring of her lover to distraction,—all this was unmotivated and unconvincing, and made one increasingly disinterested in the fate of the persons concerned.

The cast of eleven is practically perfect, and the staging admirable, except that I wish the property man would not have all the three or four hundred books on the library shelves leaning the same way at the same angle.

Luise Rainer, appearing after three years in retirement, in "A Gift For The Bride" at the Royal, Alexandra Theatre for the week of January 7.

The "Hot Mikado"

BILL ROBINSON, tap dancer and comedian of resounding fame, comes to Massey Hall for one night only, Wednesday, January 9, with a company of colored entertainers in a variety show. While no doubt most people will be interested chiefly in the "Hot Mikado" himself, the supporting cast is certainly of high grade, Ada Brown comes direct from a most successful engagement in London, Lynn Warren is a mezzo soprano of vivacity and charm. The Master Keys, ensemble singers, and the piano duo Harry Swanigan and Maurice Graham, bring grace to any program.

• •

THE GREAT REFUSAL

H. W. NEVINSON in "Visions and Memories" (Oxford): "How feeble was the refusal of a quiet literary gentleman, who, while writing a cultured article for an American paper, was suddenly called to engage by telephone in the following conversation:

'Say. We want you to fly to the North Pole with Amundsen.'

'My dear sir, this is rather sudden. You must have got hold of the wrong man.'

'No, it's you we want. Please accept right away.'

'But you forget I'm not quite seventy yet. Don't you think I'm a bit young to begin Arctic exploration? I'm sorry but I must ask you to wait till I'm mature.'

"So the matter ended, and the quiet gentleman returned to extend culture to Tennessee and other of the United States. It was a lamentable refusal on my part. For I am very fond of animals and my battered old carcass would have made a pleasing change of diet for a polar bear."

The late Hector Charlesworth, one time editor of Saturday Night, veteran critic and journalist, first head of Canada's broadcast system.

I.O.D.E.
300,000
BOOKS
CANADA'S FUTURE ... in training!
CITY FOR TO-MORROW
THIS LAND OF OURS IS BIG
THIS LAND OF OURS IS TOO BIG
TOO BIG? Nonsense! We're a BIG People
Target for To-morrow
Hey there! You're Needed
Happy Birthday, U.S.A.
What is a Feather in your cap?
The Four R's for Young Canada!
READING!
WRITING!
'RITHMETIC!
RED CROSS!
Bless them All!
SCHOOL TEST FOR PARENTS
How do you rate?

EATON'S
presents a review of its
1945 advertising sponsored
in the public interest.

FINANCE
INSURANCE

THE BUSINESS FRONT

THE MARKET
GOLD AND DROSS

Safety for the Investor

SATURDAY NIGHT, TORONTO, CANADA, JANUARY 5, 1946

P. M. Richards, Financial Editor

World Trade Waits On U. S.-British Talks

By GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

The Washington Loan should be looked at realistically, says Mr. Layton. Britain thereby has bread and a breathing space which she had to have no matter what the cost and, on the other hand, the U.S. has brought off no mean bargain. A vastly increased movement in world commerce is necessary for the full employment programs of both nations, and failure of Britain and the United States to bring this about would have dire results for them and for the world in general.

London.

CONGRESS seems to have divided itself pretty cleanly over the Washington Loan issue. Bretton Woods already having been approved, the debate there has no terms of reference other than the Loan and the International Trade Organization which is promised its debut some time in the New Year.

But there is a widespread feeling in the States that other issues are involved, among them such delicate matters as generosity, gratitude, and the sanctity of possession. Americans were reported to be amazed that the House of Commons did anything but go down on its bended knee in embarrassed thanks for four billion dollars, and profess some cynicism about British estimates of the burden of repayment. We know, they say, that there won't be any repayment.

Britain is keenly interested in the American attitude. Britain has never defaulted on any commercial loan, such as this is, and only once on any war loan, and that was when repayment was made strictly impossible by the Hawley-Smoot tariffs which the U.S. rushed up in her isolationist frenzy.

It is easy to see how bad blood could arise over this dollar loan; and it is equally plain that bad blood between the U.K. and the U.S. would have most unfortunate results for them both and for the world in general.

Let us therefore be realistic. The U.S. has brought off no mean bargain. She has gained the entrée into the great Empire market on which the eyes of her exporters have long been anxiously fixed. She has gained new recognition for her gold reserves. She has imposed the manners of riches upon the backs of the poor, in achieving the convertibility of sterling undertaking. She has secured an immediate avenue of export for her tobacco growers, food manufacturers and the rest, whose products the loan represents. She has eliminated the economic defences of her greatest competitor in world trade. She has gained, besides ordinary exports, the possibility, of which she has dreamed so long, of exporting her unemployment if the occasion should arise.

And she is paying less than nothing for it. She has given a loan, whose capital sum will be repaid and which will bear a substantial rate of interest. Not at all a bad bargain, whatever Congress pretends to believe.

What Britain Gets

What has Britain got? She has got bread and a breathing space. She has four billion dollars to spend as she likes, to prevent a further fall in the standard of living below the point of endurance, and to bring in some essential imports to assist industrial reconstruction. She gets, presumably, a degree of economic cooperation with the U.S., and the chance of showing what she can do in a world of multilateral trade and convertible currencies.

For this she gives up her trade system within the Commonwealth, and divests herself of the armor of

(*Continued on Next Page*)

THE BUSINESS ANGLE

A New Way of Life

By P. M. RICHARDS

THIS Christmas, many listeners must have noticed, something happened to the seasonal messages about peace and good-will. Though the sentiments were those customary to the occasion, they had suddenly taken on a new and tremendous reality and even urgency. Instead of pious platitudes, they had become a warning. President Truman told his countrymen that the time has come when men must strive without ceasing to make real the prophecy of Isaiah: "They shall beat their swords into plowshares and their spears into pruning-hooks; nation shall not lift up sword against nation, neither shall they learn war any more."

Mr. Truman was not alone in speaking thus; leaders in many communities and countries across the world were voicing the same thought. The time has come to end war and the conflicts that produce war. For persistence in war-making will almost certainly destroy our already badly shaken civilization. Everywhere, this Christmas, men of good-will wished earnestly that the desired end might be achieved. But how? Not all were men of good-will. Might there not be another Hitler? Since the world began there had been war. Could man now eliminate war before war eliminated man? There might be little time. Because now there is the great new destroyer, the Atom Bomb, against which there seems to be no effective defence.

The Way to Peace

The President did not merely warn. He named a means by which the objective of universal peace and good-will might be attained. His suggestion is not new; it has been presented before, times without number, but it has one of the attributes of newness —it has never been tried. It is that men and nations should actually practice the oft-quoted precept of doing unto others as they would be done by. Suggested seriously, the idea is revolutionary.

But Mr. Truman was serious. He quoted: "'A new commandment I give unto you, that you love one another'" And he went on, earnestly: "In love, which is of the very essence of the message of the Prince of Peace, the world would find a solution for all its ills. I do not believe there is one problem in this country—in the world—today which could not be settled if approached through the teaching of the Sermon on the Mount. The poet's dream, the lesson of priest and patriarch and the prophet's vision of a new heaven and a new earth, all are summed up in the message delivered in the Judean hills beside the Sea of Galilee. Would that the world would accept that message in this time of its greatest need . . . ."

Is this really too visionary and impractical? The question is, of course, has man the capacity for it? His record indicates that the answer must be a positive negative. But perhaps, in this case, the record is not necessarily indicative of his future conduct. For there is the Atom Bomb. There is the evidence, so frightfully apparent today, that even without the Atom Bomb wars are destroying us, not only materially but morally. Wars, with their residue of hate and injury, lead logically to further wars, and this becomes all the more true with the discovery of atomic power since it makes the weak capable of warring successfully against the strong. Could civilization survive another war as big as the last? Yet are we not likely to have another war, if we do not depart from our habitual attitudes toward the international issues that have made wars in the past? It is such a departure that the proposal of Mr. Truman (and other leaders) envisages, amongst other things.

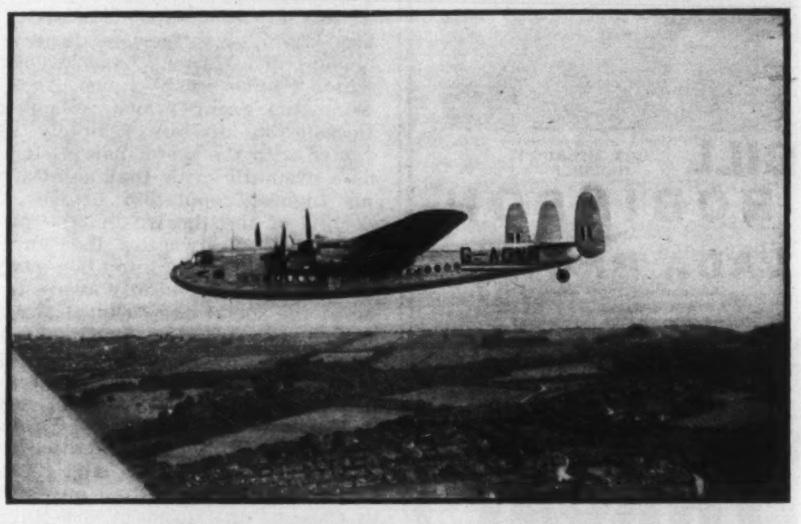
Can Man Act in Time?

It is, perhaps, of interest to note that acceptance of an objective of universal peace and good-will does not necessarily involve the conscious practice of religion. The way of life proclaimed by the Founder of Christianity can be taken, if one chooses, solely on its merits, for its practical and real values. As President Truman suggested, there is probably no problem of human relationships and behavior which cannot be solved by adopting Christ's principles. Following His rules of life would eliminate war, most of the poverty and much of the ill-health of the world. There would be no conflicts between capital and labor. We should not only be happier but probably better off materially.

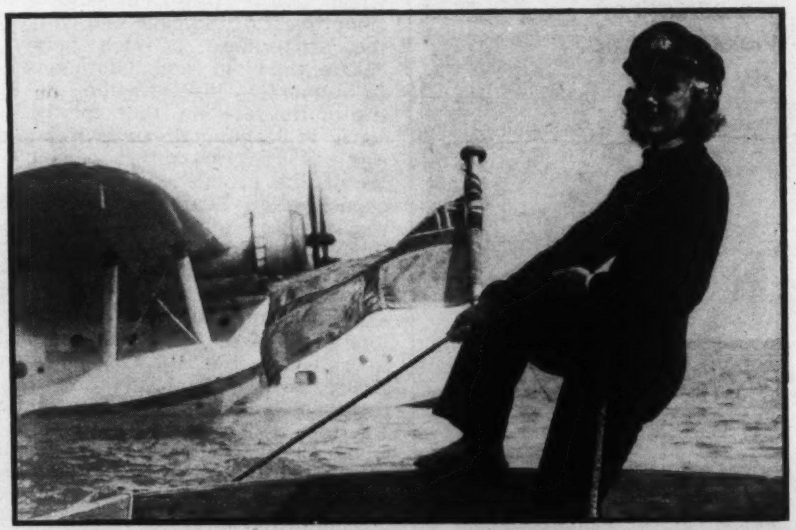
But, it may be asked, would not a nation which had renounced war and its weapons be constantly exposed to attack by some un-Christian aggressor? The answer is, no more exposed by reason of the renunciation; with the atom bomb the aggressor has an overwhelming advantage and the preparedness or unpreparedness of the victim makes little or no difference. This very fact immeasurably strengthens the case for practical Christianity now. The potential aggressor may become a convert and thereby cease to be a menace; otherwise he will remain one.

The idea of universal peace and good-will may be too advanced for us today, but we cannot deny that the world-wide growth of industrialization and the nations' interdependence on sources of raw materials and markets for products make this "one world" economically and emphasize the need for political recognition of the economic Brotherhood of Man. Refusal of man to adjust himself and his thinking to the facts of life in the new world of today can lead only to more conflict and thereby to disaster. The question is, can man become Christian in time to save himself?

Britain Converts Bombers To International Airliners



Britain's famous Lancaster bombers and Sunderland flying boats have now been converted to mighty airliners, which carry passengers from Hurn in Hampshire, site of Britain's temporary international airfield, to Australia, India, Egypt and West Africa. The service to India and Australia is now run twice a week, the latter trip taking just 63 hours. Dakotas leave almost every minute for Cairo and link passengers to Turkey, Abyssinia, Persia and Aden. The Lancaster, seen winging its way across the English countryside, has been stripped of camouflage; "Tail-End Charlie," which was the rear-gunner's turret, has been covered and the mid-gunner's turret removed. Its nose now holds goods and baggage. (Below): In Poole harbor, this Sunderland flying boat has just arrived from Calcutta. A launch sea-woman employed by British Overseas Airways pulls in one of the small craft which is used for transporting luggage from plane to wharf.



Passengers aboard the giant York, used by Mr. Churchill on his many wartime trips, enjoy its "drawing-room" comfort on their flight to India.

(*Continued from Page* 18)

exchange control. She ties herself, albeit less rigidly than before 1931, to gold, and accepts a very heavy burden of repayments until the end of the century. But she had to have the bread and the breathing space. Beggars cannot be choosers, and she bargained as hard as she could.

Now, everything depends on the trade talks. They are hoped to provide genuine cooperation, and to set in motion a lively expansionist trend in world commerce. Both Britain and America will be prime participants in such a movement, and their twin efforts will be like two great rivers feeding the sea of international trade.

If the talks should not produce this result, then no one, on either side of the Atlantic, who voted for the Washington Agreement will be glad of his decision. For in the context of stagnating trade, Bretton Woods will make new mischief. In such a context, the full employment policies of the nations will make heavy weather, and there will be mutual criticism as the ills of one are visited on the others through the currency tie-up. No one who remembers the conditions precedent to Britain's departure from the gold standard in the 'thirties can view such a prospect without a chill in the spine. These talks will be the great test, and it is a misfortune that they should have to be precursed by so depressing a display of bitterness and misunderstanding about four billion dollars.

If we can recover from that bad start, however, the race will be fast, and all the field will be winners.

NEWS OF THE MINES

Broadening of Nickel's Usage Is Anticipated by R. C. Stanley

By JOHN M. GRANT

INTERNATIONAL Nickel Company of Canada, the Dominion's largest single war industry, reports a substantial decline in deliveries in recent peacetime months from the corresponding period of 1944. As noted here some months ago production was curtailed due to the sudden cutbacks in military requirements. R. C. Stanley, chairman and president of the company, at that time expressed confidence in the Canadian nickel industry's long-range possibilities and in a year-end review reiterates his anticipations of last summer that "barring any unforeseen obstacles over which the industry has no control, our long-range prospects are favorable." World War II has utilized more technically advanced equipment than ever before, Mr. Stanley states, and nickel was employed in most of its construction. Since much of this equipment will be produced for peacetime applications nickel's usage will be broadened.

•

In the six years beginning September 1939, the company produced and delivered to the United Nations about 1,500,000,000 pounds of nickel in all forms, Mr. Stanley points out. The capacity was materially increased in these years through expenditure of its own funds, and the rate of its refined nickel production during the war was about 50 per cent greater than in prewar years. The present enlarged nickel capacity of Canadian producers is nearly 320,000,000 pounds annually, while the largest annual prewar consumption by the world was approximately 240,000,000 in 1937. Hence it would appear Canada's nickel capacity is greater than the world's peacetime requirements. Deliveries of Canadian nickel to all markets in 1945 will be about 25 per cent under the peak levels attained during the war years, according to Mr. Stanley, but will be in excess of all but one peacetime year.

•

The war's end brought the nickel industry many of the same unsettled conditions that now confront other large industries. While the industry itself does not have the problems of reconversion, it must await the reconversion of its customers, Mr. Stanley points out. However it has no extensive plant alterations to make in this transition period from war to peace. A betterment in demand was witnessed in the fourth quarter of the year following the sharp decline in consumption which followed the war's close, and this improvement would have been greater had it not been for labor troubles particularly in the steel and automotive industries in the United States. As has been the case in the past the steel industry in the United States continued to be the greatest consumer of nickel in 1945.

•

Inactive since early in 1942, due to wartime conditions, Laguerre Gold Mines plans a new program of underground work and diamond drilling to commence about February on its property in the Larder Lake area. A shaft was previously sunk to 280 feet and a station cut at 250 feet. It is now proposed to deepen the shaft another 250 feet and establish two more levels. Extensive diamond drilling is also planned. Some 22 drill holes were put down prior to shaft sinking and this indicated a gold-bearing syenite dike cutting chlorite schist and dipping west. Work on the 250-foot level showed that the dike dips steeply east and that the apparent west dip was due to faulting. Gold values were located througout the dike but no orebody was located. Rights are being offered present shareholders at 25 cents per share on the basis of one additional share for each two held at present.

•

A total of 10,551 men were employed by Ontario gold mines during September and this is the highest figure since August 1944. The lowest number of men on record was reported in June of this year when 9,913 were employed. The "curve of gold production is definitely ascending" stated Hon. L. M. Frost, Minister of Mines, commenting on the October output of the gold mining industry of the province. The Minister added that all signs pointed to a continued increase. Daily average production was the highest since April of this year according to the statistical branch of the Mines Department and the output value of bullion shipped by the industry during October surpassed all previous months since March. Thirty-seven mines made up this output. The statistics for the month follow: Tons milled 539,554; gold ounce 130,320; silver ounce 20,458; value $5,023,191. Average grade of ore was down to $9.31 from $9.55 in the preceding month. Daily average statistics showed that 17,405 tons of ore were milled and that 4,204 ounces of gold as well as 660 ounces of silver valued at $162,038 were recovered every day of October. The grand total for the first 10 months of the year was $48,377,070 as compared with $54,288,270 in the like period of 1944.

•

By next March Paymaster Consolidated Mines, which is broadening development activities, expects to have the new heavy duty hoist installed in the main No. 5 shaft and the present hoist transferred to the No. 5 winze. With adequate hoisting facilities the company will be able to carry out much more aggressive development on its extensive holdings. The improved labor situation permits of eight crews on development as compared with three during the war period. The intention is to increase the number of crews to 10 as soon as possible in the new year. It is expected there will be a progressive stepping up of production from the current rate of under 400 tons to an estimated 600 tons.

•

A diamond drilling program is now proceeding at Glenlivet Gold Mines where a minimum of 5,000 feet is proposed. The property which consists of 15 claims in Bourlamaque township, Quebec, adjoins Sigma Mines on the north. A magnetometer survey showed magnetic anomalies on the south part of the property in the greenstone and the first drill hole is near the south boundary.

•

Lingman Lake Gold Mines, located some 200 miles north of Red Lake and about 25 miles from the Manitoba boundary, proposes shaft sinking to a depth of 350 feet and expects to have work underway next spring. Acquisition of a mining plant is now being arranged and negotiations are proceeding for transporting the freight from Ilford, Manitoba, on the Hudson Bay Railway to the Property by tractor over winter roads. Recent drill results have been very favorable. The north zone has been drilled for a length of 500 feet and the south zone for 1,000 feet and both are open to the east.

•

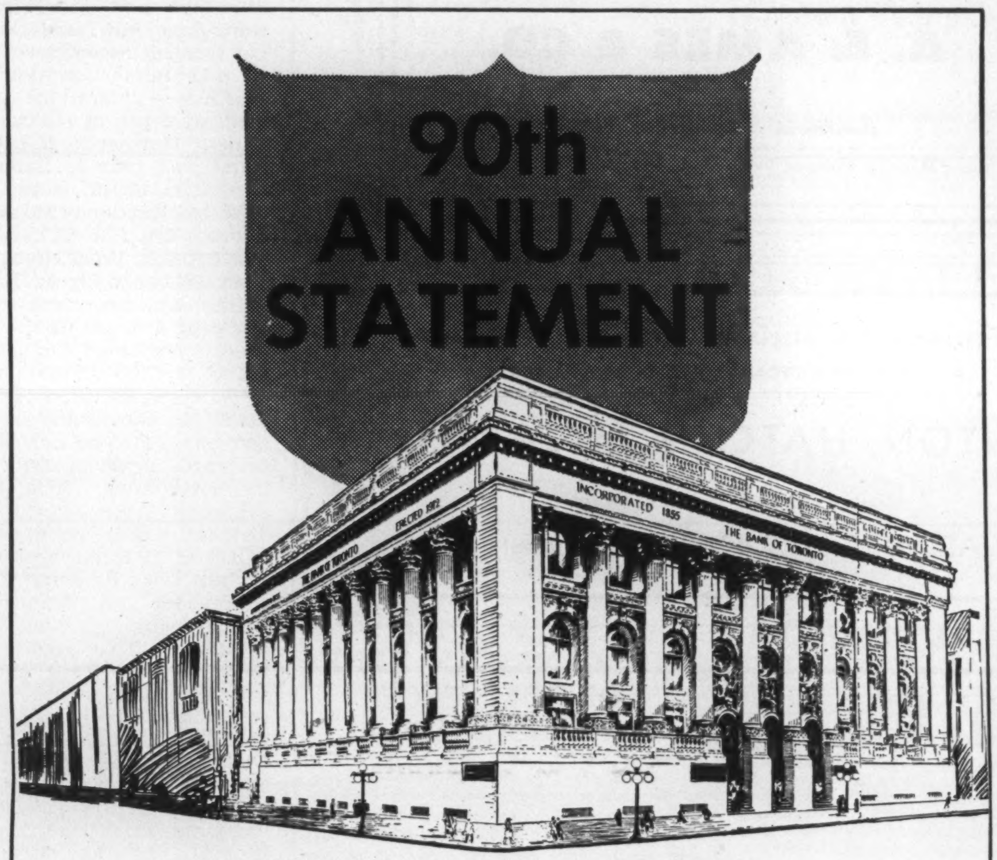
Marlon Rouyn Gold Mines, owning 14 claims in one group in Rouyn and Beauchastel townships, Quebec, preliminary to sinking a shaft is arranging for Hydro-electric power, construction of new accommodation, as well as negotiating for acquisition of a complete mining plant. The shaft is to be three-compartment and will be sunk to 550 feet with establishment of three levels.

The
Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets $5,024,159.53
Surplus - - - - - - 2,678,420.06

Write for Financial Statement

Head Office WAWANESA Man.
Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon
Winnipeg and Montreal



Statement as on 30th November, 1945

ASSETS

	30th Nov. 1945		Comparison with 30th Nov. 1944
Cash and Deposit with Bank of Canada	$ 40,740,083.66	+	$11,021,116.
Notes of and Cheques on Other Banks	14,924,677.38	+	3,449,547.
Deposits with Other Banks	7,620,392.35	+	2,515,874.
Dominion and Provincial Government Securities } not exceeding Market Value	196,403,459.68	+	19,540,599.
Municipal and Other Securities } not exceeding Market Value	10,692,358.49	+	4,567,786.
Call Loans (Secured)	12,560,541.94	+	7,594,832.
Total Quick Assets (84.11% of Total Liabilities to the Public)	$282,941,513.50	+	$48,689,754.
Commercial and Other Loans	67,801,546.47	+	4,303,913.
Bank Premises	3,133,656.82	+	363,387.
Letters of Credit and Acceptances	2,146,617.38	+	909,156.
Other Assets	338,222.25	+	55,044.
Total Assets	$356,361,556.42	+	$54,321,254.

LIABILITIES

Deposits	$333,375,934.57	+	$53,256,761.
Notes in Circulation	866,748.00	−	179,575.
Letters of Credit as per contra	2,146,617.38	+	909,156.
Total Liabilities to the Public	$336,389,299.95	+	$53,986,342.
Dividends Declared and Unpaid	150,509.95	−	225.
Capital	6,000,000.00		
Reserve Fund	12,000,000.00		
Undivided Profits	1,821,746.52	+	335,137.
Total Liabilities	$356,361,556.42	+	$54,321,254.

STATEMENT OF PROFIT AND LOSS

Profits for the year ending 30th November, 1945, after providing $250,000. for Staff Pension Fund, $801,777.61 for Dominion Taxes (of which $43,445.05 is refundable under the provisions of the Excess Profits Tax Act) and making appropriations to contingent accounts out of which accounts full provision for bad and doubtful debts has been made	$1,027,741.39
Depreciation, Bank Premises and Equipment	92,604.33
	$ 935,137.06
Dividends	600,000.00
Balance of Profits carried forward	$ 335,137.06
Profit and Loss Balance 30th November, 1944	1,486,609.46
Profit and Loss Balance 30th November, 1945	$1,821,746.52

THE BANK OF TORONTO

EXPERIENCE THAT COSTS YOU NOTHING

Gaining experience in investment matters has often proved costly for the individual investor. This organization, through any of its offices, offers its clients the experience of over half a century.

A. E. AMES & CO.
LIMITED
Business Established 1889
Toronto, Montreal, Winnipeg, Vancouver, Victoria, New York, London, Eng.

HARRY G. STANTON H. WILLIAM HATCH D'ALTON McCARTHY
S. C. HETHERINGTON KENNETH B. ANDRAS

STANTON, HATCH & McCARTHY

Members Toronto Stock Exchange
AD. 9151 601-320 Bay Street

IMPERIAL BANK OF CANADA

DIVIDEND NO. 222

Notice is hereby given that a Dividend of Twenty-five cents (25c) per share has been declared for the Quarter ending 31st January, 1946, payable at the Head Office and Branches on and after Friday, the 1st day of February next, to shareholders of record at 31st December, 1945.

By order of the Board.
W. G. MORE,
General Manager.
Toronto, 19th December, 1945.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 236

Notice is hereby given that a dividend of fifteen cents per share, in Canadian Funds, on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January 1946 and that the same will be payable at the Bank and its Branches on and after Friday, 1st February 1946, to shareholders of record at the close of business on 31st December 1945. The Transfer Books will not be closed.

By Order of the Board
S. M. Wedd
General Manager
Toronto, 21st December, 1945

Fifth on the Continent

SATURDAY NIGHT carries nearly 3 times as much advertising as does any other national periodical of general appeal in the Dominion. It is one of only five periodicals of this character on the entire continent carrying over one million lines of advertising. These periodicals are Life, Saturday Evening Post, Time, Colliers Weekly and Saturday Night.

LANGLEY'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of $1.00 per share on the Seven per-cent (7) Preference shares of the company, has been declared, payable on January 11th, to shareholders of record at the close of business on January 4th, 1946.

Notice is hereby given that a Dividend of $2.00 per share on the Seven per-cent (7) Preference shares of the company, has been declared, (subject to the approval of the Foreign Exchange Control Board), payable in four quarterly instalments of .50c each, on March 11th, June 11th, September 11th and December 11th, 1946, to shareholders of record at the close of business on March 4th, June 4th, September 4th and December 4th, 1946.

By Order of the Board.
C. F. MAYES, Secretary.
Toronto, December 28th, 1945.

GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

F. E. B., Montreal, Que.—NATIONAL GROCERS CO., LTD., is now paying dividends quarterly instead of annually, with the payment of 15 cents per share of capital stock on Jan. 2. This places the stock on an annual dividend basis of 60 cents a share, constituting an increase from the annual dividend of 50 cents paid for the 1944-45 fiscal year and 40 cents for the two preceding years.

W. K. M., Kingston, Ont.—ALTURA GOLD MINES has been inactive for some years but still holds six claims in Fairlie township, Red Lake area. A shaft was put down 250 feet and considerable lateral work done, but I understand ore was not located in commercial quantities. I understand it is the intention to continue exploration and development at depth of Hudson Rand Gold Mines (formerly Kirkland Gold Rand), as soon as labor conditions permit. Control of the company is held by Kirkland-Hudson Bay Gold Mines. MACJOE STURGEON GOLD MINES is in liquidation. F. R. Marshall, 26 Queen Street, East, Toronto, is the liquidator and slightly over one cent a share of the assets have been distributed to shareholders. PICKLE CROW, the only producer in your list, is listed on the Toronto Stock Exchange, and is in an excellent physical condition as a result of favorable developments at depth in the north mine. It is possible once sufficient labor is available the old dividend will be resumed. SPRINGPOLE MINES has been carrying out surface work for some time in preparation for an extensive diamond drilling campaign when equipment is available. Two gold-bearing zones have been disclosed and new finds carrying visible gold were recently reported. Numerous interests are held by SUDBURY CONTACT including shares in Lapa Cadillac, Norgold, Mentor Exploration and McCollam Gold, with other investments including $11,000 in Victory bonds. It still has the original Sudbury property, a holding in Bousquet township, Quebec and an interest in six claims adjoining Lapa Cadillac, Que.

G. T. F., Peterborough, Ont.—The recent declaration by HARDING CARPETS LTD. of a dividend of 15 cents a share represents an increase from 10 cents per share paid semi-annually since January, 1937, on the present stock. In the years 1940-42 extras of 5 cents a share were paid along with the semi-annual dividend, but the last such distribution was in July, 1942. With the company now in the process of reconverting to peacetime production and the demand good, improved operations are to be expected as the available supply of labor and materials increases.

E. B. S., Kingston, Ont.—Yes, the practice of escrowing or pooling shares of a company, as in this case following a reorganization, is a common procedure. You, however, may still retain your NEW RIBAGO shares if you desire and dispose of them at any time on the Over the Counter Market provided a bid is available. The reason for holding the shares in escrow is mainly to prevent them coming on the market while financing efforts are underway, with a view to exploring or developing the property. You will readily realize that vendor shares if not pooled and allowed to appear on the market might in the early days of a prospect make it extremely difficult if not entirely impossible to raise finances necessary for proving up the property.

N. K. C., Edmonton, Alta.—Operations of DOMINION GLASS CO. are reported at near capacity levels, with the exception of certain lines where materials are in short supply. Demand from some industries has lessened somewhat, notably the soft drink industry, where output has been curtailed due to restrictions on supplies. Increases in other fields, however, has enabled Dominion Glass to maintain a high volume of production.

W.S.C., New Westminister, B.C. The fact that DEXTER RED LAKE GOLD MINES is under option to Dome Exploration (Canada) subsidiary of Dome Mines and that encouragement is being met with in diamond drilling lends speculative appeal to its shares. The property of 14 claims adjoins Campbell Red Lake, also under option to Dome, on the north and south. Recent drill results on the Campbell and Dexter strengthen the expectation of gold over good mining widths in a zone about 200 feet wide which has now been indicated by drilling on the two properties over a distance of about 1,400 feet.

B. F. H., Hamilton, Ont.—Yes, SOUTHERN CANADA POWER CO. expanded its operations during the fiscal year ended Sept. 30, 1945. The recent report showed an increase of 3,129 in number of customers served, bringing the total at Sept. 30 last to 39,975. Kilowatt hour output increased 3 per cent to 272,921,890 k.w. hours. After all charges and appropriations, net earnings for the year were equal to 81½ cents a share of common, against 74 cents for the preceding fiscal year.

E.M.S., Barrie, Ont — RANGER RED LAKE MINES was incorporated last August and holds 1,000 acres in Willans township. Three paralleling shear zones are reported on the property and one of these 70 feet in width has been traced for a length of 2,000 feet. An assay of better than $6 was secured at one point across nine feet. A contract for 5,000 feet of diamond drilling was recently awarded to test the interesting surface showings and results from first drilling are stated to have been encouraging enough to warrant a further 5,000 feet. Finances are adequate for initial work.

P. B. D., Sydney, N.S.—On Nov. 1 last, INTERNATIONAL HYDRO-ELECTRIC SYSTEM paid 2 per cent interest on its 6 per cent debentures for the six months ended Sept. 30, instead of the usual 3 per cent. For the twelve months ended Sept. 30, operations of the system resulted in a loss of $391,631 after all charges including full interest on its 6 per cent debentures.

W.A., Hanover, Ont.—Full ownership and operation of ALBANY RIVER GOLD MINES, controlled by Pickle Crow Mines, which it adjoins on the east, is being taken over by the latter company. Pickle Crow will increase its capital from 3,000,000 to 3,500,000 shares and issue 136,850 to Albany River shareholders on the basis of one share of Pickle Crow for each 10 shares of Albany River. It is pointed out that two or three years further work would be required on the Albany River property to prepare it for production, hence with the amalgamation shareholders will participate in an active

BUSINESS AND MARKET FORECAST

Reconversion Period Vulnerable

BY HARUSPEX

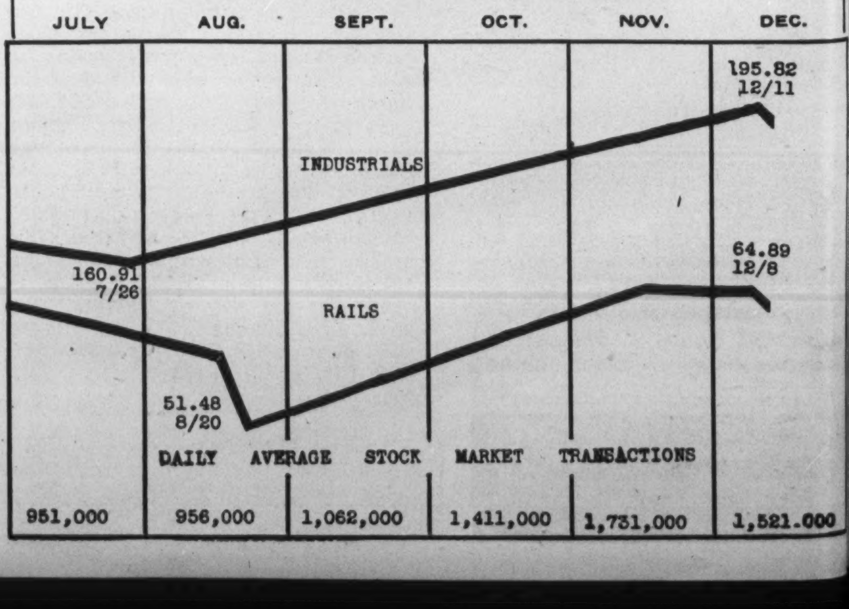
THE ONE TO TWO-YEAR NEW YORK MARKET TREND: We regard many stocks, following broad advance on the basis of high war earnings, as in a distributive zone preparatory to cyclical, or substantial intermediate, decline and would caution extreme selection in current purchasing.

THE INTERMEDIATE, OR SEVERAL-MONTH TREND of the market is to be classed as upward from the July/August low points of 160.91 on the Dow-Jones industrial average, 51.48 on the rail average. For detailed discussion of technical position, see remarks below.

A continuing pressure of liquid funds seeking employment; prospects that the last half of 1946 and all of 1947 will be marked by a substantial business turnover; and relief, to corporations, in 1946, from the excess profits tax, with ensuing benefit to many companies that have enjoyed a natural or secular growth in sales over the war period: all are factors that point to higher stock prices, at sometime over the twelve to eighteen months ahead. These factors will be given full release once the exigencies of the reconversion period, now regarded as somewhat more than half met, are fully passed.

In the remainder of the reconversion interval—say, for the four months ahead, barring protracted labor difficulties—the market will continue vulnerable to decline, not only in recognition of certain of the disappointments that transition has necessarily ushered in, but out of technical weaknesses that have developed or accumulated in the uncorrected advance of the past two years. While this vulnerability does not guarantee recession, it does argue for extreme selectivity in market purchases and maintenance of buying reserves. Decline here carrying both averages, on closes, to or under 188.06 and 61.60, with volume mounting, would be a warning that decline of more than minor character had set in. To the contrary, any advance in both averages to above the early December highs would reconfirm the upward trend and suggest that further strength was immediately ahead.

DOW JONES STOCK AVERAGES



Winnipeg Electric

A recent study indicating the improved earnings of this Manitoba Utility is now available to our clients.

Private wire to Montreal and New York

Milner, Ross & Co.
Members The Toronto Stock Exchange
330 BAY STREET TORONTO
Hamilton Vancouver

Canadian General Investments Ltd.

THE year 1945 was a year of generally advancing security prices on the stock exchanges of the Dominion and the balance sheets of investment trusts at the end of the period should reflect the appreciation in the market value of their portfolios for the past twelve months. Canadian General Investments Limited has a large portfolio with investment well diversified to cover a wide range of industries and corporations. At the end of 1944 the market value of the trust's investments approximated 11 million, or more than 3 million in excess of what the investments were carried in the balance sheet. Based on market value, 44.6% of the investments were preferred stocks and 45.2% common stocks, with the balance shares of banks and trust companies, bonds and debentures. Most of these types of securities experienced a substantial rise during the year and the market value should show a further increase at the end of last year. According to geographical distribution, 98.41% of investments at the end of 1944 were in Canadian securities.

Net income for 1944 of $542,158 was equal to 90c per share, and was an increase from $507,948 and 85c a share for 1944, and increase from $392,785 and 65c a share for 1939. In addition to the net income in 1944, the trust had a net realized profit on securities sold and redeemed of $319,708 which was added to capital surplus distributable. This capital surplus distributable amounted to $3,927,707 at December 31, 1944, against $3,216,638 at December 31, 1939, the increase being the net profit realized on securities sold or redeemed over the period. Profit and loss surplus in the same period increased from $429,827 to $963,462.

Total assets at December 31, 1944, of $8,058,071 consisted of securities at book value of $7,904,372 accrued interest and dividends receivable $92,801 and cash $60,897. Indicated market value of securities at that date was $10,923,284 compared with $8,115,235 at the end of 1939. Based on the market value of securities the book value per share at the end of 1944 was $18.26 and at the end of 1939 $13.72 a share.

The outstanding capital of Canadian General Investments Limited consists of 600,589 shares of $5 par. Dividends are currently being paid at the rate of 15c quarterly, a basis which was established with the distribution made in July 1943. Extras of 17c a share were paid April 1945, 11c April 1944 and 12½c April 1943.

Canadian General Investments Limited acquired its present name in 1931. The original trust was incorporated with a Dominion Charter in 1926 and in 1931 was consolidated with Second Canadian General Investments Limited.

Price range and price earnings ratio 1939-1944, inclusive, follows:

	Price Range		Earned	Price Earnings Ratio		Dividend
	High	Low	Per Share	High	Low	Per Share
1944	13⅛	10¼	$0.90	14.6	11.3	$0.71
1943	10¼	8⅝	0.85	12.1	10.0	0.70
1942	7¾	6½	0.72	10.7	9.0	0.50
1941	8¼	7	0.68	12.1	10.3	0.50
1940	9¼	7⅛	0.68	13.6	10.5	0.50
1939	9½	7½	0.65	14.6	11.5	0.50
Average 1939-1944				12.7	10.5	
Current ratio				17.7		
Current yield				4.4%		

COMPARATIVE STATISTICS

Year Ended December 31	1944	1943	1942	1941	1940	1939
Net Income	$ 542,158	$ 507,948	$ 429,455	$ 409,943	$ 406,515	$ 392,785
Profit & Loss Surplus	963,462	847,692	760,156	630,990	531,456	429,827
Capital S'plus Distributable	3,927,707	3,608,000	3,450,957	3,466,544	3,314,079	3,216,638
Investments	7,881,258	7,395,650	7,147,786	6,954,217	6,709,333	6,458,259
Market Value Investments	10,923,284	9,142,927	7,407,100	7,174,000	7,416,792	8,115,235
Book Value Per Shares—x.	$18.26	$15.41	$12.50	$12.22	$12.63	$13.72

x—Including investments at market value

---

producing mine and share in profits much sooner than would be the case if they were dependent upon production from their own property.

J.D.A.S., Toronto, Ont.,—BREWIS RED LAKE MINES is a prospecting venture with locational interests and ample finances for an extensive exploration program, but outside of that nothing can yet be said as to its speculative possibilities. The property adjoins Campbell Red Lake on the east and Dickenson Red Lake on the north. A road is being built to the claims, camps are under construction and lines being cut for geologizing and mapping in preparation for a diamond drilling campaign. The company is reported to have $200,000 in its treasury.

J. C., Clarkson, Ont.—BAYVIEW RED LAKE GOLD MINES acquired the property of Gold Frontier Mines comprising 11 claims in Todd township, Red Lake area. Further underground work is planned with a view to putting the property into production as soon as conditions permit. In previous work two shafts were put down and it was estimated indicated and probable ore down to the 475-foot level in the No. 1 shaft area was 50,000 tons grading around $19. The present company has continued with exploration while awaiting an improved labor situation. The company last summer was reported to have $50,000 in its treasury with options outstanding to provide an additional $350,000 if all are exercised.

• •

Company Reports

Royal Bank of Canada

THE report of the Royal Bank of Canada for the fiscal year ended November 30, 1945, shows total assets increased during the period by over $217,000,000 and reached a total of $2,007,546,978. Deposits which a year ago stood at the record total of $1,676,884,696, again expanded widely, being shown higher by more than $211,000,000 at $1,888,757,074. Deposits by the public are also at a new high level of $1,595,389,294, an increase of over $195,000,000.

Current loans both in Canada and abroad are higher than a year ago, and have reached a total of $383,624,056 as compared with $351,652,376. The downward trend of current loans in Canada noted in last year's report has been reversed, the figures under this head showing an encouraging increase in the present balance sheet. At the close of the bank's fiscal year on November 30th such loans totaled $283,726,567, an increase of more than $22,000,000 over the figure of the previous year. Current loans outside Canada, which now total $88,441,196, are higher by $9,323,726.

The liquid position of the bank is, as usual, very strong. liquid assets are substantially higher than a year ago and now total $1,558,477,086 which is equal to 82.14% of the bank's liabilities to the public.

Profit and loss account of bank for year under review is presented in a somewhat different form to that used previously. Profits, after the usual contribution to the pension fund society and appropriation for contingency reserves, amounted to $6,003,142. From this amount the sum of $2,175,000 has been set aside for Dominion government taxes, leaving a net profit for the year of $3,828,142. The comparative figure for the previous year was $2,932,184.

Bank of Toronto

THE 90th annual balance sheet of the Bank of Toronto for the year ended November 30, 1945, shows an increase in deposits of $52,000,000. Deposits from the public total $265,000,000. Non-interest bearing deposits are up 13 million, and interest bearing deposits are higher by 31 million. Government deposits show an increase of seven million.

Liquid assets amount to $282,941,513, an increase of $48,689,754, and are equal to 84.11 per cent of all liabilities to the public. Total assets amount to $356,361,556, having increased $54,321,254.

Securities at $207,095,818 are up $24,108,385. Dominion of Canada securities which mature within two years are lower by $7,495,980, while those of longer date are higher by $27,224,362. Other securities are up $4,380,003. Current loans at $64,056,023 are higher by $3,382,265 and call loans, amounting to $12,560,541, show an increase of $7,594,831.

Net profits amount to $935,137 after making full provision for bad and doubtful debts, appropriation of $250,000 for staff pension fund, $92,604 depreciation on bank premises and equipment, and paying Dominion taxes of $801,777. Taxes are up $113,812, of which, however, $43,445 is refundable.

After paying the regular dividend, $335,137 has been carried forward to profit and loss account, which now stands at $1,821,746.

Can. Car & Foundry

THE annual report of Canadian Car & Foundry Co. Ltd. for 12 months ended September 30, 1945, reveals an increase in operating profits to a new high record in history of company.

After all charges again including large scale write-off to special depreciation, net earnings for year show a moderate expansion over those for preceding year and were equal, after payment of dividends on preferred stock and provision for sinking fund on preferred, to $1.77 a share on outstanding common stock of company as compared with $1.52 a share on same basis earned in preceding year. (These earnings are exclusive of refundable portion of excess profits tax which amounted to $328,750 for year under review and $305,400 for year before.) In this connection, report of directors points out that profits of the company for the years 1940 to 1945 resulting from war contracts may be adjusted as a result of renegotiation proceedings on an overall basis presently being carried on by the Department of Munitions and Supply.

In the balance sheet, net working capital position showed a further substantial improvement during the year of $950,667, being up from $6,700,953 at end of 1944 to $7,651,620 as at September 30, 1945, and up $1,105,216 from the figure of $5,946,404 on September 30, 1943, balance sheet. This improvement was accomplished after substantial expenditures for other purposes: $925,000 on plant and an amount required for purchase and redemption of 4,008 preference shares.

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
Toronto **Kirkland Lake**

SAVE AND PLAN

Plan for the things you want most and accumulate the required funds through a Canada Permanent Savings Account. Regular deposits soon build a fund for obligations, emergencies and future expenditures. Savings earn 2%.

CANADA PERMANENT
Mortgage Corporation

Head Office: 320 Bay St., Toronto
Assets Exceed $64,000,000

Canadian Government,
Municipal and Corporation Bonds

In matters relating to investment or the underwriting and distribution of securities, the facilities of our organization are always at your disposal.

Bond offerings furnished
upon request.

36 King Street West
Toronto 1
Telephone: ELgin 4321

Wood, Gundy & Company
Limited

Dominion and Provincial
Government Bonds

Municipal Bonds

Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED
ESTABLISHED 1901
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

Investment Securities

McLEOD, YOUNG, WEIR & COMPANY
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London,
Correspondents in New York and London, England.

Burns Bros. & Denton
Limited

Government, Municipal
and Corporation Bonds

244 BAY STREET, TORONTO
AD. 9371

THE VICTORIA TRUST & SAVINGS CO.
Established 1895
ASSETS OVER $11,000,000.00
FIRST MORTGAGE LOANS
HEAD OFFICE, LINDSAY, ONT.

ABOUT INSURANCE

What is Total and What is Partial Disability Under a Life Policy?

By GEORGE GILBERT

In order to collect under the total and permanent disability provisions in life policies, it would not be reasonable to take the view that the insured must prove that he is and will be totally and continuously unable to perform any kind of work for any kind of compensation for the rest of his life.

On the other hand, it was clearly not intended that the insured should collect for only a partial or temporary disability. It is somewhere between these two extremes that the intention expressed by the policy wording must be found.

HOLDERS of insurance policies which provide benefits in the case of total and permanent disability have more than an academic interest in the question as to what constitutes "total and permanent disability". There are instances in which the disability may be undoubtedly "permanent", but in which it is questionable whether it is "total" or only partial disability.

In a case across the line not long ago action was taken against a well known life insurance company by one of its policy-holders to recover the benefits provided by his policy for total and permanent disability. He claimed that the disability had resulted from a diseased condition of his eyes which caused him so much pain and so much impaired his eyesight that he was "rendered wholly, continuously and permanently unable to engage in any occupation or perform any work for any kind of compensation of financial value during the remainder of his lifetime".

There was evidence that he was 53 years of age, and was formerly engaged in the seed business; and that from 1933 to 1937 he operated a large farm near the city of Memphis, Tenn. He claimed that he gave up farming because of his eye trouble, and that he was not able on that account to fill any executive position for which he was trained.

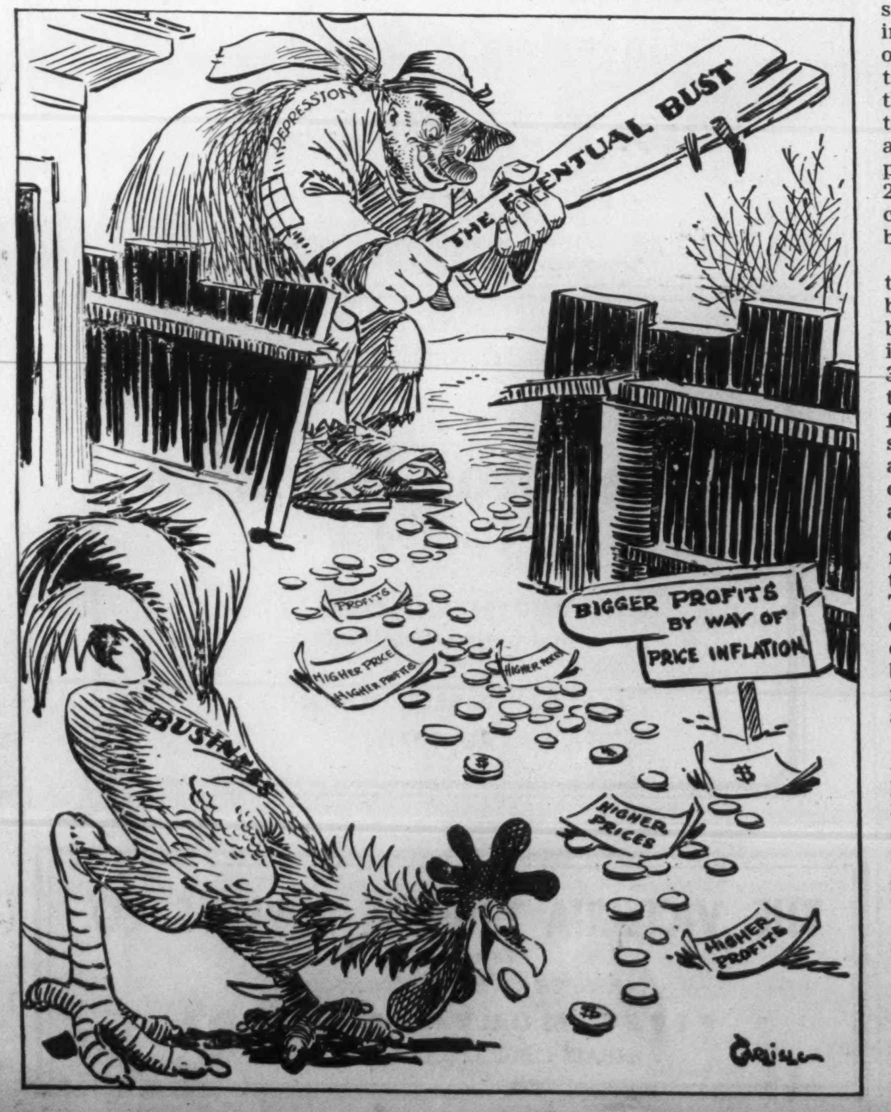
It appeared that he was still able to go about freely unattended and that he still owned and drove his car. During the two days of the trial he read printed and typed matter under artificial light without inconvenience and without reddening of the eyes. His chief medical witness testified that he had normal vision at both near and far distances.

It was held by the trial court that he did not suffer from any total and permanent disability at the time of taking the action against the insurance company or at any time prior thereto, and that under his own proof he was suffering from a permanent partial disability not covered by the terms of his policy.

However, the Court of Appeals reversed the decision of the trial court dismissing the suit, and the insurance company took the case to the Supreme Court of Tennessee, which held that as a condition of recovery under the policy it must appear that the insured is incapacitated to earn not only in his chosen or previous occupation but in any other for which he may be reasonably fitted. To defeat recovery on the ground of capacity to earn, the Court held, it must appear that the remaining capacity to earn despite disability is a capacity to earn substantially. It was held that the evidence supported the finding that the insured's disability though permanent was not total but was merely partial, and the decision of the Court of Appeals was reversed and the suit dismissed. (176 South Western (2d) 760.)

Musician's Case

In an Ontario case which aroused considerable public interest, action was taken last year by a former member of a well-known musical organization in Toronto under the total and permanent disability provisions of nine policies held with a prominent New York insurance company. The relevant provisions of the first six policies differed somewhat from those of the other three policies. In the first six policies provisions were: "If the insured is totally and presumably permanently disabled, the company will pay to the insured a monthly income of $........ during such disability, in accordance with the following provisions and conditions: Total Disability—Disability shall be considered total when there is any impairment of mind or body which continuously renders it impossible for the injured to follow a gainful occupation. Permanent Disability—Total disability shall, during its continuance, be presumed to be permanent: (a) if such disability is the result of conditions which render it reasonably certain that such disability will continue during the remaining lifetime of the insured; or (b) if such disability has existed continuously for 90 days."



In the other three policies the relevant wording was: "(1) That the insured is totally disabled as a result of disease or of bodily injury, so as to be incapable of engaging in any occupation for remuneration or profit; (2) That such disability has continued without interruption for a period of at least 4 months, 'total disability' of such duration being presumed to be permanent during its continuance".

Advised by Physician

In February, 1941, the insured, it appeared, was advised by his physician that he should give up his position as a concert artist, in which his salary was $6,000 per annum, "and lead a quiet, peaceful life devoid of mental and physical strain," because of an aneurism of the aorta, and because an x-ray of the insured's chest made in April, 1941, showed that there was the probability of a diffuse enlargement of the aorta. In May of that year his condition, it appeared, became such that he could no longer follow his profession and he resigned his position.

He made a claim upon the insurance company in July, 1941, and in August of that year he was referred to Dr. Oille for an examination, as a result of which Dr. Oille came to the conclusion, although with doubt, that angina pectoris might be present and that an aneurism was a possibility. In November Dr. Oille again examined the insured, and in December reported to the company that he was satisfied the insured was telling the truth regarding his condition and was of opinion that the insured "was totally disabled at that time for any available job".

In January, 1942, the insurance company commenced to pay the insured the disability benefit monthly income in accordance with the terms of its policies, but in November, 1942, the company informed the insured that there was doubt whether he was totally and permanently disabled in accordance with the terms of its policies, and on or about November 21, 1942, the company refused to continue payment of the disability benefits.

Action was brought by the insured to enforce payment, and at the trial before Mr. Justice Hogg, it was brought out in the evidence that the insured had owned since 1940 about 3½ acres of land in the Niagara district with a house and a number of fruit trees thereon, and that he had sold some of the fruit. The insured admitted that he had used an axe to chop small roots and had also used a scythe for perhaps five minutes to cut down weeds; that he had helped neighbors to place ladders against trees and to lift baskets of fruit. There was evidence that he had driven a motor car for a considerable distance on a fishing trip. It was brought out that Dr. Oille now estimated his physical disability as high as 50 per cent.

In giving judgment for the insured for all the benefits provided by the policies, Mr. Justice Hogg said the insured had no training or aptitude for any other occupation except one intimately associated with the profession of music. He added: "I think it can be properly said that the evidence with regard to his ownership of some acres of fruit trees does not show that he can do the work of a fruit farmer or that, if he could, he could make any appreciable profit from this land. Even an actual disability of from only 40 to 50 per cent (as found by Dr. Oille) may, I think, be held to be a total permanent disability in so far as plaintiff's ability is concerned to take up his old occupation or to engage in, or to obtain, an occupation for which he would be fitted that would be substantially the same in so far as gain is concerned as the one in which he was formerly engaged."

• •

Inquiries

Editor, About Insurance:

In the annual reports of insurance companies there are certain phrases used which are not clear to me and which I should like to have explained. What is the difference, if any, between "net surplus," "surplus as regards policyholders," "surplus to shareholders," "surplus to policyholders," and "surplus over all liabilities?" What are the principal liabilities of a fire insurance company, so far as the insuring public are concerned?

—J.M.B. London, Ont.

While capital stock is regarded as a liability to shareholders, it is not treated as a liability so far as the public are concerned, and so the amount of the paid up capital is included as part of the "surplus to policyholders" or "surplus as regards policyholders," which means the same thing. The surplus over all liabilities, including the paid up capital, is the "net surplus," or "surplus to shareholders." That is, the assets of the company exceed the liabilities to the public and the liabilities to the shareholders by the amount shown as "net surplus." The meaning of "surplus over all liabilities" in the case of the balance sheet of any particular company would depend upon whether the amount of the paid up capital was included among the liabilities or not. If included, it would mean "net surplus," and, if not, "surplus as regards policyholders." The main liabilities of a fire insurance company to the public are: the unearned premium reserve liability, unpaid or unsettled claims, accounts payable, taxes due and accrued, agency and other expenses due and accrued.

HOMEWOOD SANITARIUM

With its homelike, comfortable buildings surrounded by 75 acres of landscaped lawns and wooded hills, is a peaceful haven for the mentally ill or those suffering from nervous strain and other disorders.

A staff of experienced physicians, therapists and nurses assures individual attention and the special treatment each patient requires. Moderate rates.

Physicians and those interested are invited to visit Homewood or to write for booklet to:

F. H. C. BAUGH, M.D.,
Medical Supt.,
Homewood Sanitarium of Guelph
Ontario Limited.

$1,596,676.77
DIVIDENDS RETURNED TO POLICYHOLDERS IN 1944

Are you Participating?

Applications for Agencies Invited

NORTHWESTERN
MUTUAL FIRE ASSOCIATION
EASTERN CANADIAN DEPARTMENT
Imperial Bldg., Hamilton, Ontario
WESTERN CANADIAN DEPARTMENT
Randall Bldg., Vancouver, B.C. 2

Year-End Prices of Unlisted Securities

Furnished by A. J. Pattison, Jr. & Co. Limited, Royal Bank Building, Toronto

Unlisted Stocks	December 31 1943 *Bid*	 1944 *Bid*	 1945 *Bid*
Acadia Atla. Sugar Pfd.	....	....	20.50
Andian National	....	....	19.50
Anglo Can. Tel. "A" Com.	8.25	8.10	10.00
Anglo Can. Tel. 5% Pfd.	43.75	46.00	53.25
B.C. Sugar	73.00	88.00	93.00
B.C. Tel. 1st Pfd.	112.00	112.25	116.50
Brinton Peterboro Carpet	....	52.50	82.00
British America Assce.	50.50	55.00	63.00
Brockville Trust	45.00	51.00	50.00
Calgary Power 6% Pfd.	103.50	104.00	107.00
Canada Life Assce.	360.00	400.00	450.00
Can. Fairbanks	....	25.00	31.50
Can. Fire Insurance	73.00	80.00	87.00
Can. General Invest.	10.00	12.50	15.25
Can. Indemnity	....	....	155.00
Can. Ingersoll Rand	53.00	60.50	60.50
Can. Investors Corp.	5.70	5.75	7.00
Can. Invest. Fund	....	....	4.50
Can. Machinery Com.	6.10	7.00	10.25
Can. Motor Lamp A & B	8.00	8.25	9.75
Can. Paving Pfd.	....	....	6.50
Can. Tea Pfd.	38.00	50.00	70.00
Can. Westinghouse Fractions	....	....	1.25
Can. Westinghouse	46.50	56.00	57.00
Can. Wire & Cable Pfd.	108.00	108.00	109.00
Capital Trust	....	45.00	56.00
Capital Wire Cloth Com.	....	....	6.50
Cawthra Apts. Pfd.	2.50	3.50	3.75
A. W. Chase Pfd. Bonus	16.00	26.50	28.00
Colonial Rlty. Com.	3.00	3.80	4.50
Colonial Steamship	52.00	75.00	85.00
Commercial Finance Com.	59.00	52.00	10.00
Confederation Life 30% Pfd.	125.00	130.00	142.00
Crescent Creamery Pfd.	....	....	78.00
Crown Trust	....	65.00	75.00
Deb. & Sec. Pfd.	75.00	92.50	96.00
Detroit Inter. Bridge	....	12.50	28.00
Dom. Envel. (West.) Com.	....	6.50	6.00
Dom. of Can. Gen. Ins.	125.00	148.00	180.00
Dominion Life	175.00	170.00	180.00
Dover Industries	....	6.50	10.00
Eastern Trust	145.00	150.00	150.00
Empire Life 25% Pd.	8.00	14.25	15.50
Federal Found. New Com.	....	....	3.00
Foreign Power Pfd.	....	10.00	21.00
Galt Brass Com.	12.00	16.50	25.00
Goderich Elevator	10.75	12.00	15.50
Great West Life	250.00	280.00	350.00
Guarantee Co. of N.A.	200.00	205.00	230.00
Guardian Realty Pfd.	19.00	25.00	30.00
Gurney Foundry Pfd.	....	2.15	2.80
Halifax Insurance	14.50	15.75	15.75
Highland Dairy Pref.	51.00	56.00	65.00
Imperial Life	250.00	280.00	306.00
Industrial Mtge. & Trust	....	35.00	43.00
Int. Utilities 3.50 Pfd.	....	56.00	57.50
Lambton Golf	....	....	260.00
Lambton Loan	35.25	45.00	51.00
London & West. Trust	37.25	47.00	76.00
Manufacturers Life	240.00	280.00	270.00
Maritime Life	....	25.00	23.25
Maritime Tel. & Tel. Com.	....	....	16.50
Maritime Tel. & Tel. Pfd.	....	....	17.00
Midland Loan & Savings	14.00	14.00	15.00
Minn. & Ont. Paper Com.	....	13.00	15.50
Moirs Limited Pfd.	40.00	82.50	95.00
Monarch Mtge. Units	....	....	3.50
Monarch Life 20% Pd.	35.00	45.00	60.00
Montreal Isl. Power Pfd.	41.00	40.00	42.00
Montreal Trust	....	64.00	76.00
Morrison Brass	....	11.00	4.00
Morrow Screw Com.	14.00	15.00	17.50
Mount Royal Hotel Com.	....	4.50	10.50
National Drug Com.	....	3.75	5.00
National Hosiery Com.	....	....	3.75
National Hosiery Pfd.	....	4.00	4.50
Neilson Wm. Com.	11.00	12.50	15.00
Neilson Wm. Pfd.	....	100.00	101.00
New Brunswick Tel.	11.00	12.50	13.00
New Method Laundry Pfd.	76.00	95.00	98.00
Northern Telephone	1.00	1.25	1.25
Nova Scotia L. & P. Com.	76.00	86.00	89.00
Office Specialty Com.	....	14.00	22.00
Ont. Tobacco Plant. Units	17.00	16.00	19.00
Pacific Coast Term.	....	10.00	13.00
Prov. Bank of Can.	....	....	14.00
Provincial Paper 7% Pfd.	100.00	107.00	108.50
Reliance Grain Com.	6.00	10.00	18.00
Royal Trust	65.00	70.00	80.00
Ruddy E. L. Pfd.	....	90.00	142.00
Seiberling Rubber Com.	....	4.00	7.50
Sincennes McNaughton Com.	....	2.25	2.4
Sovereign Life 25% Pd.	15.00	27.50	30.0
Standard Fuel 6½% Pfd.	66.00	90.00	98.0
Sun Life Assce.	300.00	325.00	500.0
St. John Drydock Pfd.	....	98.00	103.5
Third Can. Gen. Invest.	2.20	2.60	3.75
Toronto Carpet Pfd.	75.00	82.50	98.0
Toronto Carpet Com.	60.00	70.00	77.5
Trusts & Guarantee	37.00	55.00	76.0
United Farmers Co-Op.	3.00	3.00	3.5
United Steel "A" Pfd.	22.25	23.00	26.0
Victoria Trusts & Sav.	73.00	89.00	108.0
Waterloo Manufacturing	3.75	4.00	7.5
Wentworth Radio	....	2.00	3.0
West. Assce. Com.	43.00	52.50	60.0
West. Assce. Pfd.	41.00	42.00	42.0
Western Grain Com.	....	.50	.9
Western Grain Pfd.	25.50	30.00	34.0
York Trading	....	....	6.00

UNLISTED BONDS

INDUSTRIAL BONDS	*1943* Bid	*1944* Bid	*1945* Bid
Acadia-Atlantic 3¾ '55	....	....	99.7
Algoma Central Ry. 5's '59	....	32.00	....
B.C. Pulp 7's '50	108.00	82.50	100.2
Brandram Henderson 6's '56	98.50	....	100.0
Brantford Roofing 5's '59	99.25	....	100.0
Burns & Co. 4's '63	....	....	97.2
Can. Theatre 5's '51	85.00	80.00	92.7
Dom. Dairies First 6's '57	98.00	....	101.5
Dom. Malting 3% serial	....	....	100.0
Dom. Wool 5's '64	....	....	98.5
Foreign Power 6's '39	50.00	....	75.0
Inter. Hydro-Electric 6's '44	64.00	82.00	....
Invest. Bond & Share 5's '47	78.25	....	94.5
Lake St. John P. & P. 5's '61	92.00	75.00	100.5
Loew's Theatre Mtl. 4's '58	....	....	95.0
Lower St. Lawrence Power 3¾ '65	....	....	96.0
McCormick 4's '52	....	....	101.0
Montreal Drydock 6's '48	97.00	95.00	100.0
Municipal Bankers '31	17.00	15.00	22.5
United Steel 3's '56	102.00	....	100.0
Western Grain 5's '63	....	....	95.5
REALTY BONDS			
Acadia Apts. 4's '59	....	....	92.5
Adelaide Sheppard 7's '48	42.00	32.00	45.0
Albert Bay 5's '50	....	....	84.5
Alexandra Apts. 3's '53	68.00	57.50	80.0
Ancroft Place 4's '56	58.50	42.00	56.0
Annandale Court Apts.	....	....	65.0
Balfour Bldg. 3's '45	58.00	48.00	62.0
Bloor St. George 7's '44	60.00	54.00	72.0
Clarendon Apt. 7's '46	37.00	30.00	45.0
Dom' Square 4's '59	92.00	76.00	97.5
Godfrey Realty 4's '53 W.S.	80.00	64.00	91.0
Insurance Exchange 4's '51	65.00	....	90.0
Lombard Realty 2½'s '51	23.00	27.00	36.0
London Realty 6½'s '50	100.00	100.00	100.0
Lord Elgin Hotel	[illegible]	[illegible]	95.0
Lord Nelson 4's '47	[illegible]	58.00	81.0
Mayor Bldg. 5½'s '42	[illegible]	[illegible]	85.5
Ontario Bldg. 6½'s '43	[illegible]	50.00	54.5
Prince Edward Hotel 4's '47	[illegible]	40.00	50.0
Richmond Bldg. 7's '47	[illegible]	20.00	28.0
Royal Windsor Apts.	[illegible]	[illegible]	37.0
St. Cath. Stan. Rlty. 4's '57	[illegible]	70.00	84.0
Trinity Bldg. 4's '5 W.S.	[illegible]	12.00	18.0
United Hotel Notes	[illegible]	4.00	7.0
Windsor Court Apt. 3's '56 W.S.	[illegible]	....	70.

Canadian Car & Foundry Company, Limited

And Wholly Owned Subsidiary Company

THIRTY-SIXTH ANNUAL REPORT, 1945

CONSOLIDATED BALANCE SHEET

at September 30, 1945

(EXPRESSED IN CANADIAN DOLLARS)

ASSETS

CURRENT ASSETS:			
Cash on hand and with bankers		$ 750,259.45	
Investment in United States Government Bonds (Market value $261,318.75)		253,000.00	
Accounts Receivable (less reserve)		5,970,025.32	
Stocks of manufactured and partly manufactured products, materials and supplies, certified by responsible officials of the Company, valued at cost or market prices, whichever were lower, (less reserve) also expenditure on government contracts less relative progress billings		9,166,657.86	$16,139,942.63
DEFERRED CHARGES			317,880.52
INVESTMENT IN AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANY:			
Investment at cost		$ 470,625.00	
Current account		5,417.85	476,042.85
INVESTMENTS IN OTHER COMPANIES, at cost:			
Central Aircraft Corporation		$ 75,000.00	
Canadian Car Munitions Limited		1,000.00	76,000.00
CAPITAL ASSETS:			
Land, Buildings, Machinery and Equipment at depreciated reproductive values as appraised in 1930 by the Canadian Appraisal Company, Limited, plus the cost of subsequent additions (net).			
Land		$ 1,851,116.57	
Buildings, Machinery and Equipment	$18,236,596.29		
Less: Reserve for depreciation provided since above date	4,354,700.13	13,881,896.16	
Expenditure re War Contracts subject to Special Depreciation	$ 5,991,279.97		
Less: Special Depreciation thereon	5,891,704.91	99,575.06	15,832,587.79
DEFERRED ACCOUNT RECEIVABLE:			
Refundable Portion of Excess Profits Taxes			962,744.63
			$33,805,198.42

Approved on behalf of the Board:

V. M. DRURY, *Director*
W. F. ANGUS, *Director*

A. HODGKINSON,
Comptroller and Treasurer.

December 14th, 1945

LIABILITIES

CURRENT LIABILITIES:		
Accounts Payable and Payrolls	$ 6,102,029.79	
Provision for Income and other Taxes	2,213,990.50	
Dividend Payable	140,434.84	
Amount due re exchange of old Preference Shares	31,867.35	$ 8,488,322.48
OPERATING AND MISCELLANEOUS RESERVES		301,000.00
CAPITAL STOCK:		
Preference—Cumulative Participating (Redeemable at $35)—Div. $2.10.		
Authorized and issued.....280,000 shares of $25.00 ea.	$ 7,000,000.00	
Less: Purchased, redeemed and cancelled.......... 10,008 shares of $25.00 ea.	250,200.00	
Outstanding.................269,992 shares of $25.00 ea.	$ 6,749,800.00	
Ordinary:		
Authorized: 645,800 shares of no par value		
Issued: 365,800 shares of no par value	9,145,000.00	15,894,800.00

NOTE:—Of the above mentioned shares, 12,497 cumulative participating (redeemable) Preference and 63,290 Ordinary are held for exchange of 12,497 old 7% cumulative and participating Preference Shares and 63,290 shares of the old ordinary stock, respectively, pursuant to arrangement dated December 1, 1942.

SURPLUS ACCOUNTS:		
Capital Surplus—Properties Per attached statement	$ 706,647.87	
Capital Surplus—Preference Stock Redemption Per attached statement	250,200.00	
EARNED SURPLUS—Per attached statement	7,201,483.44	
	$ 8,158,331.31	
Refundable Portion of Excess Profits Taxes	962,744.63	9,121,075.94

CONTINGENT LIABILITY—A suit has been entered against the Agency of Canadian Car and Foundry Company, Limited, by the Estate of W. W. Butler, a former President of that Company, for additional compensation in the amount of $1,168,000.00. The Company does not admit liability in respect of such claim and on the advice of counsel it is being contested.

	$33,805,198.42

Submitted with our Report to Shareholders
of December 5th, 1945.

PRICE, WATERHOUSE & CO.,
Auditors.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS AT SEPTEMBER 30, 1945

Combined net operating profit for the fiscal year ending September 30, 1945, before taking into account the items shown below			$ 5,711,118.58
Add: Income from Investments			51,112.71
Total Revenue			$ 5,762,231.29
Deduct:			
Fees of Directors and Executive Committee		$ 10,015.46	
Compensation of Officers		124,711.81	
Legal Expenses		10,378.38	145,105.65
Profit for the fiscal year before charging Depreciation and providing for Income and Excess Profits Taxes			$ 5,617,125.64
Deduct: Depreciation:			
Property written off during the year		$ 41,294.31	
Normal Depreciation		555,264.82	
Special Depreciation		1,312,874.99	1,909,434.12
Balance of Profits			$ 3,707,691.52
Deduct:			
Provision for Income and Excess Profits Taxes including the refundable portion of the Excess Profits Taxes, viz.: $328,750.00			2,490,200.00
Net Profit for the Fiscal Year			$ 1,217,491.52
Deduct:			
Provision for Preference Shares Sinking Fund Requirements			76,443.65
			$ 1,141,047.87
SURPLUS AT SEPTEMBER 30, 1944			7,087,163.48
			$ 8,228,211.35
Deduct:			
Prior years' adjustment re Income and Excess Profits Taxes		$136,866.09	
Par value of 1,475 Preference Shares purchased, redeemed and cancelled, in excess of Sinking Fund requirements, transferred to Capital Surplus	$36,875.00		
Premium paid on above	7,635.63	44,510.63	181,376.72
			$ 8,046,834.63
Deduct:			
Dividends declared and paid:			
$2.10 per share on Preference Shares		$571,001.19	
$0.75 per share on Ordinary Shares		274,350.00	845,351.19
BALANCE OF SURPLUS AT SEPTEMBER 30, 1945			$ 7,201,483.44

Notes to Financial Statements

RENEGOTIATION OF GOVERNMENT CONTRACTS:

The profits of the Company for the years 1940 to 1945 resulting from war contracts may be adjusted as a result of renegotiation proceedings on an overall basis presently being carried on by the Department of Munitions and Supply. No specific reserve has been provided to take care of the net effect of such adjustment of profits as may result from these renegotiations. It should, however, be noted that the refundable portion of excess profits taxes, which may be affected by any reduction of profits, has not been included in the earned surplus and might be considered as being equivalent to a reserve for renegotiation.

BASIS FOR DOMINION INCOME AND EXCESS PROFITS TAX PROVISIONS:

The final liability for these taxes in respect of the years subsequent to 1942 has not yet been determined but it is believed that ample provision has been made therefor.

CAPITAL ASSETS:

The net value of buildings, machinery and equipment subject to future depreciation for income tax purposes, which was shown on previous balance sheets in approximate figures, has now been finally determined by the Income Tax Department to September 30, 1942, at $6,782,254.49; to this figure should be added the net additions to asset and reserve accounts for the years ending September 30, 1943, to 1945, resulting in a net value of buildings, machinery and equipment subject to future depreciation for income tax purposes at September 30, 1945, of $7,673,596.34.

AUDITORS' REPORT TO SHAREHOLDERS:

We have made an examination of the books and accounts of the Canadian Car & Foundry Company, Limited, and its wholly owned Subsidiary Company for the year ending September 30, 1945, and have obtained all the information and explanations which we have required.

We report that, in our opinion, the attached Consolidated Balance Sheet at September 30, 1945, when read with the notes appended thereto, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Canadian Car & Foundry Company, Limited, and its wholly owned Subsidiary Company, after making provision of $1,868,139.81 on account of depreciation for the year, according to the best of our information and the explanations given to us and as shown by the books of these companies.

In accordance with the provisions of Section 114 of the Companies Act 1934, we also report that the profits of a partly owned subsidiary company have not been included in the attached accounts, but have been carried forward on the books of the subsidiary company.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, December 5, 1945.

Palestine Police's Lot Not Always Happy

By WILLIAM RANDOLPH

The Palestine Police Force shares with the military the responsibility of maintaining order in Palestine. The knowledge of its members of both the country and its people, their experience gained in previous riots, their bilingual and, in many cases, multilingual capabilities, make them admirably suited for the task. Besides British, the force includes Jews and Arabs.

One section, the Mobile Striking Force, has to be prepared to go into action at a moment's notice, on horseback or in armored cars, in any part of the country.

Jerusalem.

CAPTAIN J. M. RYMER-JONES, inspector-general of the Palestine police, is a man with a big job. On him falls a large part of the responsibility for keeping order during the present unfortunate troubles.

It is true that there is a large body of troops in Palestine—indeed the total is estimated at about 50,000 and they have intervened at Tel Aviv and elsewhere with powerful effect. But to trace those responsible for starting the riots and to prevent similar disorders in the future is still primarily a police job, and the men under Captain Rymer-Jones's command have a far greater knowledge of this country and its people than it would be possible for the military to attain.

In recent weeks they have extended their coastal patrols in the area where illegal immigrants are most likely to attempt a landing, and have been combing the country for illegal arms dumps possessed by Jew and Arab alike. The curfew has been enforced as rigidly as possible.

Constables Stoned

These activities have naturally brought the police into frequent collision with the native population, and casualties have occurred. Recently some constables attempted to arrest an illegal Jewish immigrant in Tel Aviv and were stoned by a crowd of 2.000. Eventually they were compelled to give their prisoner up, and shortly afterwards a fresh police detachment drove up in an armored car. Even then it was found quite impossible to rearrest the freed man.

Such events do not happen every day in the life of the Palestine police but even during settled periods they always have to be prepared to fight in the event of some local uprising. In the words of the Crown Agents for the Colonies the work is difficult and responsible, "but it is a man's job and should be greatly to the liking of the keen and active police recruit."

When the war started most members of the Palestine police applied to join the Army. This was not allowed since they were already doing a vital job for which they could not be replaced. Normally a constable comes to Palestine for a tour of duty lasting three years, but in the circumstances it was decided to keep all men out there for the duration.

The great majority had gained considerable experience in dealing with rioting during the 1936/9 rebellion, and most of them have now been in this country for six or seven years. The Force, moreover, is ten times stronger than it was in 1936, so they are now vastly better equipped to deal with rebels than they have ever been before.

Knowledge of the Country

In 1941 the Palestine police were put on a military footing, and their inspector-general received the rank of brigadier. They became part of the Palestine garrison liable for military duty in any part of the country. But they continue to operate in their own formations, and their knowledge of the country—some of them know it like the palm of their hand—is fully made use of.

Normally all Palestine police recruits, on reaching this country from Britain, undergo three months' training in the modern police school that has been built on the hills outside Jerusalem. They receive instruction in routine police duty such as criminal investigation, traffic control, etc., and also as guerrilla fighters. When they leave for active duty they are housed in large, barrack-like buildings that in emergencies can be turned into forts where local civilians can retire for protection.

The Force is run on up-to-date lines, and often constables return to the school to take a course in some specialized subject. These include radio car work, police dogs, manning police launches and mobile security patrols. Despite the unruly nature of many of Palestine's inhabitants, the police are not allowed to take the law into their own hands but have to follow normal police procedure. In 1939 a constable received a severe prison sentence for shooting a man who escaped arrest.

The Palestine Police Force includes Jews and Arabs as well as British, and during the war new categories have been added. Many native constables have been taken on for guard duties, both by the Army and the Government. There are also special constables who can be called out in an emergency such as the present one. But perhaps the most romantic section is the Mobile Striking Force.

This consists of both Jews and Arabs with a strong leavening of British to ensure that impartiality is strictly observed. It is well armed and stationed at strategic points all over the country, ready to go into action on horseback or in armored cars at a moment's notice. The value of such a force in a land containing tribes of nomadic Arabs who cannot always resist the temptation of a swift raid on an outlying Jewish settlement cannot be over-emphasized.

Palestine is a land of many languages. There are three official ones, English, Arabic and Hebrew, and all the police are expected to know at least two of these. In addition, newly arrived Jewish immigrants speak nearly every European language and some Asiatic ones. During their long stay in Palestine many constables have become multilingual. Their ability to interrogate suspects in almost any language during the present troubles is invaluable to the prompt restoration of order.

"Yes, my Darling Daughter"

MOTHER'S buying has certainly changed from the days when she took a basket and did all the shopping for the family.

Modern daughters are so brand conscious they insist on the clothes *they* want or the food they like.

Canadian Home Journal readers know that the editorial features and articles are written and planned for modern thinking women.

Canadian Home Journal knows that women from 16 to 35 need more and buy more than any other women's age-class.

Canadian Home Journal is read in every fourth English speaking urban home.

CANADIAN
Home Journal

Since 1928 C.H.J. has led all monthly magazines of large circulation in Advertising lineage.

"CANADA'S LEADING WOMAN'S MAGAZINE"